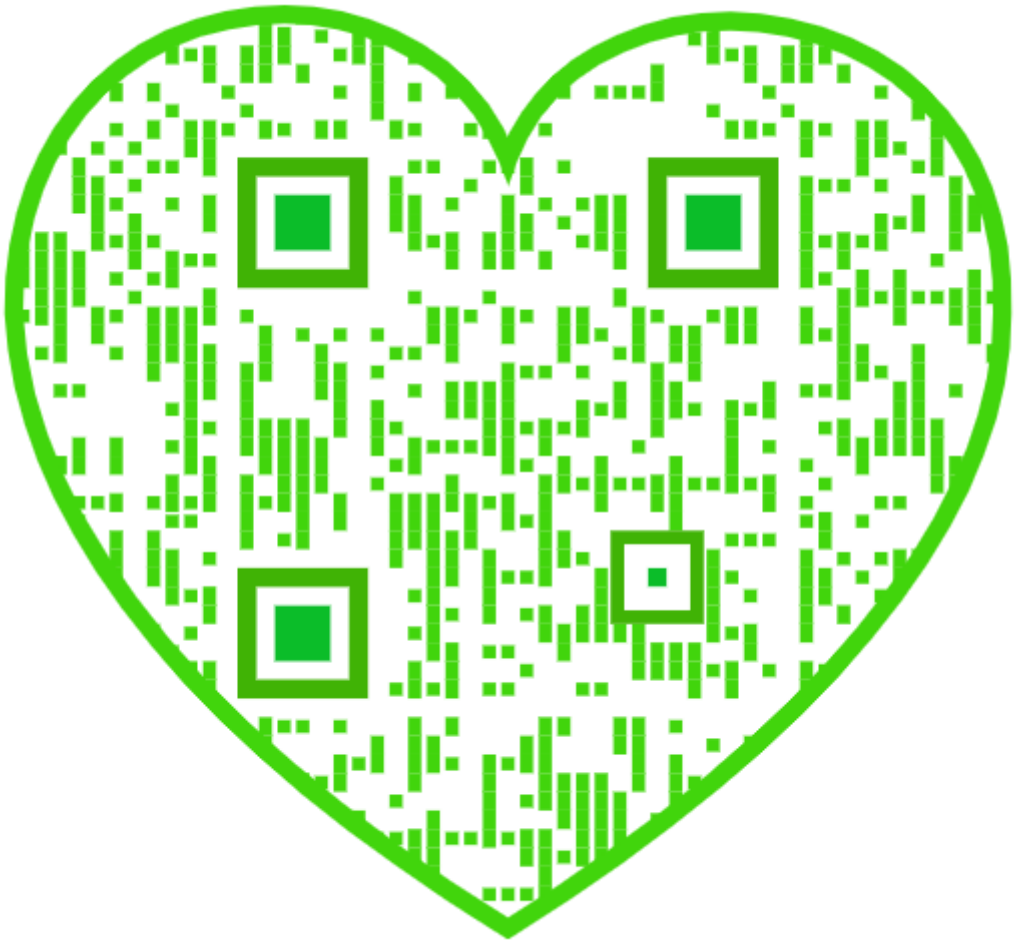

THE RELATIONS OF RENTS, WAGES AND PROFITS IN AGRICULTURE, AND THEIR BEARING ON RURAL DEPOPULATION

The Relations of Rents, Wages and Profits in Agriculture, and their Bearing on Rural Depopulation

BY

J. S. NICHOLSON, M.A., D.Sc.

Professor of Political Economy in the University of Edinburgh,

AUTHOR OF "EFFECTS OF MACHINERY ON WAGES," "THE HISTORY OF THE ENGLISH CORN LAWS," ETC., ETC.

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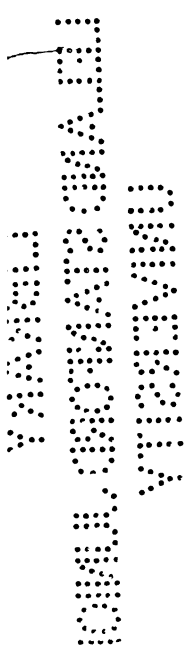

PREFACE

IN the last of the series of Gilbey Lectures,[1] delivered in the University of Cambridge in the May Term, 1906, the object has been to present a general view from the historical standpoint of the Relations of Rents, Profits and Wages in English Agriculture, and to discuss the bearing on Rural Depopulation, and other questions of popular interest at the present time, *e.g.*, Small Holdings.

In a brief survey extending over six centuries, it was necessary to confine the attention to the main lines of development, although throughout the economic tendencies have been brought to the test of crucial facts.

For the earlier history I am much indebted to Thorold Roger's "History of Agriculture and Prices," and "Six Centuries of English Work and Wages"; Mr. Seebohm's "English Village Community"; Dr. Cunningham's "Growth of English Industry and

[1] In 1904 the subject of the Lectures was the "History of the English Corn Laws"; and in 1905 "Rates and Taxes as affecting Agriculture," both published by Messrs. Sonnenschein, uniform with this edition.

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Commerce," and Professor Ashley's "Economic History." For the later evidence I have used greatly various papers in the *Journal of the Royal Statistical Society*, by Major Craigie, Mr. Wilson Fox, and others; the two Reports on Agricultural Wages by the latter writer; the Reports of the last two Commissions on Agricultural Depression (published in 1882 and 1897), and finally, the general Report of the last Census (1901).

As the main object was to give a general view, I have avoided detailed references.

Mr. A. B. Clark, M.A., my Assistant and Lecturer in Economics in the University, has kindly revised and corrected the proofs.

J. SHIELD NICHOLSON.

UNIVERSITY OF EDINBURGH,
September, 1906.

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THE RELATIONS OF RENTS, WAGES, AND PROFITS IN AGRICULTURE, AND THEIR BEARING ON RURAL DEPOPULATION

CHAPTER I

THE HISTORY OF AGRICULTURAL RENT IN ENGLAND

In tracing the history of agricultural rent in England there are to be considered two main questions, closely connected, it is true, but logically different.

There is first the question of the historical changes in the nature of rent, involving the relations of landlord and tenant, and

the kind of payments that are made in the form of rent. And secondly, there is the question of the historical changes in the amount or value of the rent. The two sets of questions are seen to be closely related, from the fact that the amount of the rent that is exacted by the landlord is found to depend, partly at any rate, on the kind of payment that is made, and partly also on the general relations of landlord and tenant; and the further we go back the greater the importance of the qualitative character of the rent in determining its quantity. The historical method is specially suited for a study of agricultural rent, because even at the present day all the important forms of rent that have appeared in the past are still represented, and we constantly have reversions to older ideas.

Sir Henry Maine has well said that an ancient legal conception corresponds not to

one, but to several modern legal conceptions, and the same proposition holds good if we substitute economic for legal.

Under modern conditions in England we distinguish sharply between rent, profits, and wages, and the three kinds of income derived from agricultural land are expressed in the typical case in terms of money. The first thing, however, we notice when we go back to the beginnings of history is, that the relations of landlord, tenant, and labourer are not based on monetary agreements, and the incomes of the three parties are not reckoned in terms of money.

Before the Norman Conquest the dominant system of landholding had come to be of the manorial type, and this type was intensified under the Norman influence. In England at the present day there are still manors, and the lords of these manors have certain rights and privileges, but they

are only a shadow of what they were originally.

At the time of the Domesday Survey the whole country practically was portioned out in manors. There are many interesting questions regarding the origin and meaning of the manor — both the thing and the name—but in time the word came to mean a landed estate, and the typical manor was a large estate. Perhaps the most important survival of the manorial system in England at present is the distribution of a great part of the country in large estates. In dealing, then, with the manorial system, we are dealing with the origin of our system of large estates and our present landlord and tenant system. Let us look at the features of a typical manor in the early mediæval period.

The typical manor was a large estate with a castle or hall, in which, on occasion,

the lord of the manor resided, though the same person might have several manors and pass from one to the other. Connected with the manor were certain local courts, in which, practically, the power of the lord of the manor was supreme. It is true that the general idea of these courts was to act on customary rules, but in case of dispute, the decision of the lord of the manor or his representative was final. Of course I am only looking at the power of the manorial courts from the point of view of landlord and tenant; but incidentally, we must notice that, to begin with, the lord of the manor had such powers that the tenants were, for the most part, in a state of serfdom.

They could not leave the estate; they could not give their daughters in marriage without the consent of the lord of the manor; they could not sell their stock, and

they were subject to all sorts of police regulations enforced by the manorial courts. They were attached to the land, and under the power of the lord, except so far as that power was mitigated by custom, and so far as it clashed with the law of the land as enforced in the courts of the king.

It is clear that under these conditions there was no contract for rent in our sense of the term. But, in fact, very heavy rents were exacted, though the nature of the rent was also quite different. In reality, the rent that the tenant paid was partly in labour and partly in produce. And if we were to put a value on the labour and on the produce, we should find that, to begin with, the amount that was exacted was as much as the land could bear, consistently with leaving enough in the way of bare subsistence to keep up the stock of labour.

In a typical manor the estate consisted of a certain amount of arable land, a large tract of waste or common, and some natural meadows. The most interest lies in the arable. Some of it formed the home farm or demesne, and some was held by the serfs. The whole of the arable land was, as a rule, in three large open fields—that is, without any fences or enclosures.

The ordinary holding of a serf was thirty acres; but the peculiarity of the system was that it consisted of scattered strips, and the demesne land was also interspersed with the serf land.

Each villein or serf with a full or normal holding had ten acres in each of the great fields, and even the ten acres were all separate—never two together. The acres were also of a peculiar shape called long acres. The normal length was a furlong—

i.e., furrowlong—and the breadth one-tenth of a furlong. The origin of these proportions is interesting: the furlong was forty rods in length, and a rod was 5½ yards. The ploughing was done by a large plough drawn by eight oxen, and the rod is supposed to be the breadth of the full yoke with four abreast. With such a heavy plough it was natural to have the furrow as long as possible, but it was considered unlucky to go beyond forty in any measure, and so the furrowlong or furlong was only forty of these rods.

These details illustrate the force of custom in all matters pertaining to land. For these long acres survived centuries after their meaning had been forgotten, and to this day in England we have farms consisting of scattered acres owing to the survivals of this system. In fact, it was the observation of these scattered holdings

that led Mr. Seebohm to discover the original meaning of the system.

The scattering of the long acres was due to the fact that in ancient times, when the open field system was in full swing, the land of the serfs was cultivated on a peculiar co-operative principle. The antiquity of co-operation in agriculture is interesting in the light of recent experience. Each serf with a full holding had, as a rule, two oxen, so that four serfs had to combine to furnish the oxen for a plough team. There was also the expense, at that time very great, of providing the parts of the plough itself—*e.g.*, iron—the equipment and the labour of working the plough. Co-operation was then necessary.

We must now notice another peculiarity in the holdings. In the ordinary case they were all equal, each was just thirty acres and no more. This equality of distribution

leads to another point, namely, that the land was originally held by a village community, and at first the strips, or long acres, were changed every year. The land was ploughed by the great common plough, and the produce was divided in strips of long acres. The scattering gave each person a share in the good and the inferior land or produce.

By some this equality in the original holdings is supposed to point to what we should call communism, or equal division of property. And perhaps it was so to begin with. But long before the Norman Conquest of England, the inhabitants of the village community had become serfs to the lord of the manor. And this equality in the holdings had become itself a sign of serfdom. With freedom you get inequality. The holdings were in the nature of burdens, involving so much

labour rather than privileges giving rise to so much wealth.

In fact, the lord of the typical manor had to see that his land was adequately stocked with men to work it, and the most simple plan was to keep up the same number of holdings, and on the decease of a tenant or serf, one of his sons, generally the youngest, was compelled to take a re-grant of the land. These serfs had not only to cultivate the long acres which belonged to their part of the estate, but also the strips which belonged, in a more special sense, to the lord of the manor as his home farm. And not only had they to provide the labour, but generally also oxen and ploughs. And besides this, they were compelled to work at the command of the lord of the manor for different purposes, and, in fact, he used their labour as he found it convenient. In return, they

had their holdings in the open fields, but then they were also, as a rule, compelled to give up part of the produce; in short, they paid not only labour rents, but produce rents. And in strict law, they and their goods all belonged to the lord of the manor, though he found it to his interest to act on certain long-established rules founded on custom.

Let us now leave out the details, and look on the nature and the amount of the rent under this system as a whole. The power of the landlord was supreme, and the rents were as great as could be obtained from the so-called tenants.

The economic progress in the mediæval period consisted mainly in the conversion of these heavy rents in labour and produce into comparatively moderate rents in money. Coincidently with this, the serfs gained their personal freedom, and in

many cases became practically peasant proprietors or yeomen.

I shall now try to show how this great revolution was effected. It is one of the best examples on record of the influence of the great economic forces that are always at work beneath the surface of society, whatever may be the law of the land, or the compulsion of custom. It shows also that in some respects the growth of the money power has been the principal agent in the amelioration of the lot of the masses of the people, for in this period, and for long after, the masses of the people were attached to the soil.

The great agency of economic progress in the mediæval period was the conversion of what is called a natural economy into a money economy, or the substitution of money payments for payments in labour and in produce of various kinds. The

process is often described, shortly, by the term commutation—that is, the commutation of payments in other things to payments in money.

This conversion began in England at a very early time, and had made considerable progress as regards labour rents and produce rents, before the occurrence of that great pestilence, the Black Death, which, from its important effects, has been called the watershed of economic history. The lords of the manors had gradually found it more to their interest to accept money in place of labour. They could do with the money what they liked, and, if necessary, they could hire labour when it was wanted. The serfs also found it to their advantage, because it was a step on the way to freedom, and with their spare labour they could earn a little more money than they were compelled to pay in rent.

Consequently, before this great pestilence, a good many of the serfs were paying money rents for their lands, and receiving money wages for their labour. The sudden diminution of the supply of labour caused by the plague raised the rate of wages much above what had been customary. To get labour, landlords tried to induce the labourers to come from other estates, and offered more wages. The general result was that the expense of cultivating the home farms or the demesne land rose enormously. Some of the landowners tried to bring back the old system of forced labour, but the attempt eventually led to the Peasant Revolt, and, in fact, the principle of commutation had been already carried too far to be reversed. Accordingly, most of the landlords adopted another remedy, which has been called by Thorold Rogers the "land and stock lease." By

this plan the landlord let not only the land, but the stock and capital of all kinds necessary to work the land. In this way the serf became a tenant farmer, with this difference, that he did not provide the capital. The system was thus very like the metayer system that still prevails over large areas of Europe, and still more like the "share" system of the United States.

It differed from the metayer system in that the rent was not a customary part of the produce, but a money payment which might be varied on the lapse of a lease. In the course of time the more industrious and enterprising of these new tenants were able to buy the stock from the landowners, and in many cases they also bought the land subject to certain payments, which represented the old burdens and the old feudal obligations. But as we are only concerned with the

progress of rents, we may leave these small owners on one side.

With this method of tenant farming cultivation in common began to lose its hold. No progress was possible when all the land was cultivated in the same slovenly way, with exactly the same crops year after year. Owing to the progress of the woollen manufacture on the one side, and the greater expense of landlord cultivation of arable on the other, encouragement was given to the creation of sheep farms. Large tracts of land, formerly arable, were converted into pasture for sheep. This first great period of enclosures lasted about sixty years—from say 1470 to 1530. The enclosures were, of course, not universal — and not all for sheep — but the sheep farming led to the eviction on a large scale of the rural population formerly engaged in agriculture. The landowners

were often able to get back the land which was held as copyhold—that is, the form of property I have described with the feudal and customary burdens. And in any case they need not renew the yearly tenancies.

I may mention at this point also what might have been taken earlier, namely, that besides the three large open arable fields, the village community had certain customary rights over the waste, as it was called—that is, the tract of uncultivated land which lay around the open fields. Besides this, they had shares, to a customary amount, in the hay of the permanent meadows. Legally—that is, by the technical law—these customary rights depended solely on the will of the lord of the manor, and might at any time be cut away or restricted. And in the period I am now touching on, some of the landlords carried

their legal rights to an extreme. They suddenly dispossessed the people of these customary rights over the waste and commons. Fortunately, at the same time, the beginnings of manufactures in the towns required more labour, and after the trouble caused by the transition, it may be said that, on the whole, the prosperity and power of the nation increased. In time, also, the natural balance was effected between sheep and corn, and a system of mixed farming took the place of the old arable cultivation in common.

From the economic point of view, the modern period may be said to begin with the reign of Elizabeth, and by the end of that reign, the modern system of letting land to tenants for a money rent was well established. The chief points of contrast with the mediæval period, beyond those already noted, are that a larger part of the

produce is now sold for consumption in the towns, which had increased at the expense of the country in population. The farming is carried on more for profit and less for consumption on the estate. We observe also, that at the end of this reign (1603) complaints begin to be frequent that landlords are absentees from their estates, and that their rents are expended in London and not in the country. So much was this the case, that on the accession of James II. a royal proclamation was issued, stating that the King will be justly offended with those who stay about London or the Court unless they are ordinary servants of the King, and thereby neglect their duties in the country.

Additional rates were often imposed on absentees, and generally it was impressed on the landlords that they had certain duties in the way of local government to

perform. With the modern period also, we find complaints beginning about the insecurity of the tenants' capital and the enhancements of rents when any improvements are made.

These and other facts indicate the abuses connected with the extension of the money power. But on the other hand, we have also the beginnings of a change in the nature of rent, that has had most important consequences on the development of English agriculture.

Landlords began to find it remunerative to sink capital in land in order to increase the rent; and accordingly, rent comes to partake of the nature of profits, and no longer to be derived either from the exactions of monopoly, as in the typical manor, or simply from the mere use of the natural powers of the soil before improvements are made.

With the seventeenth century we have great improvements effected by the landlords in drainage. To take an example: A proprietor named Rowland Vaughan published an account of the drainage operations he carried out on his estate in Herefordshire in 1610, under a curious and lengthy title, beginning with a reference to his most approved and long experienced waterworks, and ending with a phrase showing that the waterworks would increase the fertility of certain lands by ten for one. And he gives an example of certain of his own lands which had been let at £40 a year, and given up by the tenant as too dear, being made worth £300 a year by these new methods of draining. At the same time, the profit to be made by improving land led the moneyed men of the cities to purchase land, *e.g.*, this Vaughan; and as Adam Smith points out,

they applied business methods, and in this way the commerce of the towns led to the improvement of the country. On the other hand, these new men, with their mercantile views, had little of the traditional ideas of the responsibilities of the landlord as regards local government, and of his being generally responsible for the welfare of the inhabitants of the parish.

At this time the improvements which attracted most capital and enterprise were the reclamations of waste lands, and especially the lands which were liable to be inundated by floods. This was the case notably in the fen counties, and also in the lands lying in the basins of the slow-moving streams of the Midlands. The use of embankments may in some cases be traced back to the time of the Roman occupation, and all through the Middle Ages we find examples of the adjustment

of the expenses of the repairs of these permanent works by commissioners according to the value obtained by the lands—an early instance of the imposition of rates according to the principle of betterment. But on the whole, the works were not sufficient, and were not well enough kept up.

At the beginning of the seventeenth century, however, greater powers were obtainable by law, by companies of adventurers, for the reclamation of lands, so that they could compel the owners to sell them the lands they required for the construction of their big drains and levels, just as at present railways obtain powers of compulsory purchases.

As a rule, these enterprises were too great to be undertaken by private people. And even the companies at first often failed to make a profit, and had to

abandon the works. But ultimately these endeavours were successful, and thousands of acres of land were reclaimed, either by new works or by the restoration of the old embankments.

By far the most interesting of all these cases is that of the reclamations begun by Francis, the fourth Earl of Bedford, in 1630. You will find an account in one of the most interesting and instructive books ever written on the economics of agriculture. I refer to the book entitled: "A Great Agricultural Estate: being the story of the origin and administration of Woburn and Thorney," by the Duke of Bedford. This book was based on a speech made by the Duke in 1896. As indicating the value of the work, I may say that in an appendix (2) are given accurate accounts of the expenditure and the revenue of the two estates named from 1816 to 1896, whilst

a full general account is given from the seventeenth century. Before I finish, I shall have to refer to this book in connection with the nineteenth century and the present day, but at present I use it as evidence of the agricultural enterprise of the great landlords in the seventeenth century. The Earl of Bedford of that day, and his associates, spent in three years over £100,000, and after all failed. His enterprise was also unpopular, because he employed a famous Dutchman, Vermuyden (we still have a big drain called by his name in the fens), and this Dutchman brought over foreign labour. The fen-men also complained of the loss they incurred by the drainage in destroying the natural products of the fens in the shape of eels and wild fowl. The works were made over to the King, but after the fatal year of 1649, the next Earl of Bedford became

the undertaker of the Company, and he was to get 95,000 acres for himself out of the whole lands reclaimed.

It is impossible to go further into the details. The general result may be indicated by two or three sentences from the book itself. "If ever," says the present Duke, "there was an estate to which collectivist ideas regarding land are not applicable, it is Thorney. Only 300 acres of culturable land came to the house of Bedford on the dissolution of the monasteries. The remainder of the lordship was won from the sea and the swamps by patriotic enterprise, hard work, and lavish expenditure."

This is, of course, in magnitude and in kind a case of exceptional interest, but on a lesser scale and in different ways, from the seventeenth century onwards, the great

landowners of England became also great improvers.

In the next century—the eighteenth—the wealthy landowners were keenly interested in new methods of cultivation and in improved implements and buildings, and their efforts were eventually seconded by a growing class of substantial tenants, or we may say scientific farmers.

But the lead was taken by the spirited proprietors, who had to contend with the time-honoured prejudices of those who had always practised the traditional methods. In this century we have new roots and grasses introduced, and a better system of rotation and of tillage. In connection with the adoption and extension of these improvements, the great landholders found it expedient to consolidate holdings, and in many cases large farms were made by the amalgamation of the smaller.

Towards the end of the century another great movement began for the enclosure of the open or common land that still survived in large quantities in some parts of the country. The main object of the enclosures at this time was to allow of the adoption of the new methods. In the open fields, with the traditional simple cultivation, any improvement was impossible. There is no doubt that in the process of these enclosures the small farmers and proprietors suffered. In the redistribution and the enclosing of the land, heavy legal expenses were involved, beginning with the necessary Act of Parliament, and these expenses were proportionately heavier to the smaller people, and many were obliged to sell their land, and if tenants, their holdings were consolidated. The small people also lost, as regards the various rights of common that still survived.

But regarded from the national point of view, on the whole, the result of the improvements and of the enclosures was to add very greatly to the agricultural produce of the country. A good deal of this increase was due to the improvements of various kinds effected by the landlords, and naturally from this cause only there was a considerable rise in rents. The great advocate of improvements, and the writer who has given the most detailed accounts of the changes effected, is Arthur Young, a most remarkable man in every way, and a very curious personality. He lived to a great age, and wrote, as well as the famous tours in France, in different parts of England and in Ireland, masses of pamphlets and articles. His tour in Ireland, republished a few years ago, ought to be read by everyone who would understand the origin of the Irish economic grievances. But this is a

digression. Young, however, gives an account of the rise in rent in England at the end of the eighteenth century, and he shows by actual cases that whilst the old-fashioned farmers could not pay their rents in spite of the labour of the other members of their family, and often themselves, at other industries (such as spinning and weaving), the new farmers were taking the land at higher rents and earning large profits in addition. The small farmers were again hit by the industrial revolution which displaced the home industries by machinery in factories.

It is no doubt true that, at the end of the eighteenth century and the beginning of the nineteenth, the very great rise that took place in rents, sometimes fivefold, was not due entirely to improvements and the increase of produce. There was also the succession of bad seasons, and as the

country was practically dependent on its own supplies, the rise in prices was much greater than the loss in produce. The population was growing in the towns; the war increased the expenses of freight and insurance; other countries also had defective harvests, and often prohibited exports, so that, altogether apart from the Corn Laws, to which the high prices are often entirely ascribed, prices must have been high, and of course rents depend as much on the prices as on the amount of the produce.

The first half of the nineteenth century, say up to the repeal of the Corn Laws, was marked by very great improvements in agriculture largely under the influence of the landlords; but rents fell, somewhat owing to the fall in prices which took place after the conclusion of the great war.

The repeal of the Corn Laws did not

have the effect anticipated of a great and immediate fall in rents. The cost of transport were still great, the foreign wheat-lands were only partially opened up, and the town population of this country was rapidly increasing.

Up to the early seventies there was little fall in the price of corn; whilst as regards other forms of produce, there was in most cases a considerable rise. At the same time, also, the improvements in agriculture continued, and of course the amount of produce per acre increased, and the expenses did not increase in proportion.

During this period, also, the tenants more and more took an active part in the improvement of agriculture. And with this increase of enterprise on their part, greater security was given by the landowner for the investment of capital—in Scotland by the method of improving leases, and in

England by keeping up the old tradition of moderate rents and practical fixity of tenure so long as the land was well treated.

After about 1875 a period of depression set in, so far as rents are concerned, the great and sufficient cause being the immense cheapening of transport, and at the same time, the great development of agriculture on a large scale in new countries. The depression has affected agriculture generally, but rents have suffered most. Not only have money rents fallen, but in many cases reductions have been made in addition and arrears have been written off.

At the same time, greater security has been afforded to the tenants by the Agricural Holdings Acts, and the tenants have protected themselves by refusing to take long leases.

The burdens of rates and taxes have

greatly increased in the last twenty years without any corresponding gain to agriculture. All these sources of increased expense have diminished the surplus available in the form of net rent.

So far as the nineteenth century is concerned, what I have described in general language and in the roughest outline may be read in the history of the great estate by the Duke of Bedford. You have tables from 1816 to 1896 giving all the information required to trace the changes in rents, both the gross and the nominal rent, and also the real net surplus—if any—for in the end it seems to vanish entirely.

I will give one or two significant figures first about the gross rental received. The average annual rental (gross) received from 1816 to 1835 (twenty years) was £20,000; from 1836 to 1845, it was about £24,000; in the next

ten years—1846 (repeal of the Corn Laws) to 1855—it rose about £2,000, to £26,000 (*i.e.*, gross). From 1855 to 1875 the average annual gross rent rose to £35,000; but from 1876 to 1895 the average annual gross rental received fell to £27,000.

But the mere gross rental is of course quite misleading; though with improving agriculture and stable prices it no doubt implies a corresponding rise in the net income. For the first twenty years—1816 to 1835—the net income was £9,000; and in the next twenty years—1836 to 1855—it rose to £11,000 per annum.

But taking 1856 to 1875 (the next twenty years), the net income had fallen to £8,000, and this in spite of the high rents obtained from 1869 to 1874, the average net income being about £14,000 per annum for these years.

From 1876 to 1895 the average net

income is only £5,000 out of a gross rental of £27,000. And during the last two years given in the tables—1894 and 1895—though the gross rentals are £18,000 and £20,000, there is in the first year a deficit of nearly £2,000, and in the second, in spite of the rise in the gross rental, there is still a deficit of some £400.

I hope these figures have not confused the main idea. It is not easy to take in the meaning of figures with the ear, and it often requires all the power of the eye and close attention. But in this case the results are so surprising that the general trend cannot be mistaken. And if you look into the tables, you will find additional most interesting details. You will find that the public burdens increase with the gross rental; you will find that more and more of the rent received is expended on the estate, until the net

rental of some £11,000 has entirely vanished, and the deficit on the estate, as a going concern, has to be made up out of other sources of income.

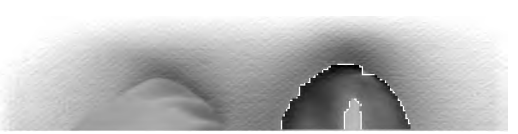
And now a few words by way of a general conclusion. Recall the typical estate with which we began in the early Middle Ages, and I may add one or two touches of further details to the picture. The lord of the manor exacted through his steward the utmost the estate could bear; he took all the labour he needed and all the produce, besides a bare minimum. And apart from these onerous payments in labour and in produce, the villein had scarcely any of the elements which we consider essential to personal freedom.

Mainly through the accident of the Black Death many of the villeins obtained their freedom and became either tenant farmers

or yeomen. Two centuries later the first set of enclosures produced over England the same outcry, as in the nineteenth century in Scotland, over the expulsion of men for sheep and the sacrifice of the customary rights of the peasantry. Gradually, however, the landowners became themselves improvers of the land, and up to the nineteenth century they took the lead. In the course of that century, in England, the tenant farmers gradually obtained the repeal of the laws that still survived in favour of the owner, and the enactment of laws in favour of the security of their own capital. But coincidently with this, taking the average, the great landowners continued to sink money in their land, and to take the first shock of agricultural depression by the remission of rents. So that in some cases, as in the Bedford estates, though there is nominally a large gross

rental, there is actually a net loss on the estate (agricultural).

The villein, or serf, of the Middle Ages has become a substantial tenant farmer, and the feudal baron, who was formerly little better than a slave-owner as regards the masses of the cultivators, has become, in many cases, a model philanthropist. In the whole range of social history there is perhaps no such striking evidence of real progress as in connection with the changes in the nature and in the amount of the rent paid for agricultural land.



CHAPTER II

AGRICULTURAL CAPITAL AND PROFITS

CAPITAL in modern industrial societies assumes so many forms and has so many functions that it is almost impossible to frame a definition which will cover all cases, or even to indicate in short compass the results of scientific analysis. If, however, we confine our attention to agricultural capital, and adopt the historical method, most of these difficulties disappear.

Under the most primitive conditions, capital appears as a necessary agent of agricultural production, just as much as labour and the land itself. The progress in agricultural production may be traced

by changes in the nature and amount of the capital required. In the present chapter I shall try to indicate the great landmarks in agricultural progress in England from the point of view of the part played by capital. To some extent the same facts will be appealed to as in dealing with rent and progress; but the subject is so large that different details can be taken by way of illustration.

We may begin, as with rent, with the manorial economy of the mediæval period. The first point we notice is, that at first the serfs may be said to have provided the lord of the manor with the capital necessary to work his demesne land, or what corresponds to his home farm. He had no need for circulating capital in the form of money to pay wages, because he obtained all the labour required through compulsion or custom. It is true that for

some forms of labour the villein received a certain amount of food and other necessaries, but the manor was in the typical case self-contained and self-sufficing, and the villein may be looked on as obtaining a certain share of the annual produce directly, though the share in the distribution was determined by the custom of the manor. As already seen, the principal payment in return for the labour was the right to occupy so much land. Besides the work exacted in connection with ploughing, hay-making, harvesting, etc., we have various forms of labour remunerated by so much land: there was the aver-land, or lod-land, granted to those who performed the duties comprised under *averagium* (horse-work — from *affer* or *aver*, a horse), including the carriage of firewood, carting the seignorial produce, etc.; we find cheese-land for those who

provided dairy produce for the manorial household, scythe-land for the mowers, and so on.

Again, as regards what we should now call the auxiliary capital, the villeins provided ploughs, oxen, horses, and carts in connection with the work done for the lord of the manor. Accordingly, we find that the villein was not allowed to sell an ox without the consent of the lord or his reeve.

With regard to the land cultivated by the villeins for themselves, perhaps the most noticeable point is, that the nature of the capital required involved a curious system of co-operation, as already noticed in the first chapter. The great manorial plough was drawn, in general, by eight oxen, and as Mr. Seebohm has so graphically shown, the strips in the great open fields were at first distributed according to

the contributions made in oxen or equipment or labour.

In the early mediæval period everyone, from the king downwards, was interested in the cultivation of land, and the royal revenues were first of all collected in produce. The great barons were also great landowners and great farmers. The typical manor was a large estate, and the manorial farming was on a large scale. For this purpose large capitals were required — but they were not in the form of money.

In this period it is worth noting that the capital employed on the land was worth much more than the land itself. We can, of course, only make the calculation by giving money values to the land and the stock. And it must be observed that money was used for the purpose of measuring values to a much greater extent than it was used for purposes of exchange. And besides, the

process of commutation had begun in very early times, although the effects were not seen fully till after the Black Death. In the thirteenth century, according to the calculations of Rogers, the value of the rent of ordinary arable land was 6d. an acre, and the capital value of such land was about 6s. to 8s. an acre; but the amount of stock live and dead that was required was worth 18s. to 20s. an acre, or about three times as much.

As Rogers observes, this disproportion in the value of land and stock had a considerable effect on the distribution of land itself. According to feudal custom, the rule of primogeniture governed the descent of the land itself; but personal property, including capital on the land, was divided amongst the children. In this way, the large estates were often broken up by subinfeudation, and we often hear of opulent younger sons.

It is to this custom of landlord cultivation on a large scale that we may trace what is still considered the chief peculiarity of the English system of landlord and tenant, namely, the obligation on the part of the landowner to effect permanent improvements and to make the necessary repairs ; and to begin with, this obligation extended to making good any extraordinary losses of stock—especially sheep.

But already I have rather anticipated the actual course of progress. The system of letting land to tenant farmers, as distinct from the villeins, was greatly influenced by the progress of commutation ; although we find in very early times free tenants occupying servile land and rendering the customary services.

The progress of commutation, and also the extension of the tenant system of cultivation, was greatly accelerated by the

Black Death. The natural rise in the price of labour made landlord cultivation unprofitable unless forced labour could be exacted, but in the scarcity this was found to be impossible. It was to the economic interest of every landowner to attract labour, and the most effective way was to offer higher money wages than were customary. The proclamations and statutes, intended to enforce the old customary rates, were disregarded — sometimes with false entries in the manorial accounts. The landowners found their remedy in the land and stock lease—already briefly mentioned in the last chapter. The essence of this plan was to let the stock that was required with the land. It was a development of an ancient custom of letting out particular forms of stock, especially cows—a practice which survived to the time of

Arthur Young at the end of the eighteenth century.

The stock which was let with the land was carefully recorded on the lease, and the tenants rendered an annual audit, and had to exhibit their stock to the landlord's steward. To begin with, the landowner generally let with the land not only the necessary live and dead stock required on the farm, but a certain amount of seed-corn, and sometimes food, etc., for wages. All this the tenant covenants to restore at the end of the lease, in good condition, reasonable depreciation excepted, at a fixed price for every quarter of corn, head of cattle, sheep, poultry, and the assessed value of the dead stock let with the farm. At the time, this form of lease was a necessity to both landlord and tenant, and an advantage to both. The tenant, out of the profit obtained, was gradually able to

acquire the necessary capital for himself, and in many cases to buy the land. The period of transition during which this form of lease prevailed is placed by Rogers at seventy years.

The general result was that, to a great extent, the villeins were displaced by tenant farmers using their own capital and by yeomanry occupying their own land. By the middle of the fifteenth century both classes had become quite common. The very fact that the land and stock tenants in time were able to become owners of the capital, and sometimes of the land, shows that, on the average also, they must have been able to pay the rent, and in that way the landlord also gained, for if he had tried to carry on with the bailiff cultivation, the increased cost of labour would have involved a loss. The small tenant and his family provided the labour

required on the farm, and very often they could afford time to take additional employment at the high wages that prevailed. There were cases, no doubt (some are recorded by Rogers in detail), in which the rent fell into arrears, and we find examples of arrears being written off, and sometimes the landlord's share in the risk, especially as regards sheep, more than balanced the rent; but on the average, both parties gained.

Another difficulty of the landlord arose from the legal idea of rent. A farmer often took land even from the same landlord in different plots for different periods. This would be natural, from the original scattered nature of the holdings; but the legal idea was that each particular plot of land must be responsible for the rent which issued out of it, and accordingly, arrears of rent sometimes accumulated

because the owner could not tell out of which portion of land the rent issued.

At this time the rent that was exacted was generally the old customary rent, and was very moderate in amount. The natural consequence was that there was a great demand for land, and the capital value rose considerably; or, in other words, the number of years purchase was increased.

There are one or two other points of interest in connection with the transition from the method of landlord cultivation to that of tenant farming. As the landowners no longer owned the stock the law of primogeniture ceased to be modified as it used to be, and the younger sons were left poor or unprovided for. Rogers calls attention only to the resulting evils, and speaks of these younger sons as law-made paupers quartered on the royal revenues,

and asserts that useless offices were provided for them in the Court or the army. But on the other side, the more enterprising would enter into the professions and also into trade, and later on this spirit of enterprise and alliance of land with trade had much to do with the expansion of the English colonies. Another result, however, was that the landowners, now being dependent on rent and not on the profits of agriculture made by themselves, began to consider their own economic interests too closely, and at the end of the fifteenth century we have complaints of the exactions of the landlords and other abuses, especially in connection with the enclosures.

I have dealt at some length with the land and stock lease and its consequences, partly because it was of great historical importance, being indeed the main instrument in a great social revolution, but also because it has

often occurred to me that in some cases some adaptation of this form of lease might be advantageous under present conditions. We are told on all sides that small farms ought to be increased in number, but that those who might make successful farmers have no capital. Leaving on one side the controversy on the possibility of the success of small farms at present in this country, and assuming that there are landowners willing to make the experiment, and also suitable tenants, the farms might be started with a land and stock lease.[1] There are, however, two practical difficulties that did not exist in the mediæval period. In the first place, the mediæval peasant was content to live in what was little better than a mud hovel with no windows, no chimney,

[1] A form of the land and stock lease is actually in use in some parts of the United States—*e.g.*, in Wisconsin. See H. C. Taylor's "Agricultural Economics," p. 278.

no water, and no sanitation, and the accommodation of the substantial farmer was little better. Then, again, there were no expensive steadings or drains. But in another respect, there is reason to believe the mediæval farmer was superior to his modern representative. Under the old landlord system of cultivation, most accurate and detailed accounts were kept, and the practice was continued when the system was changed. Rogers gives good reasons for supposing that, contrary to the popular idea, in the mediæval period writing and accounting were common accomplishments, and were put to practical use in farming. As we have seen, there was a careful enumeration of the stock and an annual audit and valuation.

Coming back from this digression, we may notice next the effect of the enclosures—that is, the first period from 1470 to 1530.

The tenant farmers wished to increase their profits and the landowners their rents, and the old method of cultivation in common was a hindrance to both. At the same time, the change in the relative values of corn and wool naturally stimulated sheep farming, and it was with the development of this industry that land was enclosed, common rights were taken away, and large numbers of the rural population displaced. It is remarkable that under these influences the old system of cultivation in common was not displaced to a much greater extent. It is probable, however, that so late as the beginning of the eighteenth century three-fifths of the arable land of the country was still cultivated in common, and the second period of enclosures, which finally got rid of the old system, extended from 1770 to the middle of the nineteenth century.

The aspect of the question—*i.e.*, of the

change from cultivation in common—which calls for special notice in dealing with capital and profits, is the effect of the abandonment of the old customs on the relations of landlord and tenant. Under the old system the villein had fixity of tenure—at what came to be, in time, a moderate quit rent of a mixed kind—service, produce, and money. There were no changes in the methods of cultivation, which indeed were impossible with cultivation in common. Under the new system, especially after the enclosures, as we learn from the work of Fitzherbert (1523), the tenants in some cases suffered from insecurity of tenure. The land was let on short leases, and the landlord could raise the rents on any improvement being made. It was calculated that land that was enclosed even with the old methods of cultivation yielded 25 per cent. more than the land in the open fields, and consequently

could pay more rent.[1] A rise in rent was natural, but in some cases it was pushed too far.

This tendency was increased by the dissolution of the monasteries and the partial dispossession of the guilds of their lands. The confiscated lands found their way into the hands of the monied classes—*e.g.*, Sir Thomas Gresham became very wealthy in this way—and they applied mercantile ideas with the view of making a profit from their purchases. The rough application of mercantile ideas to agriculture has often proved harmful, or at least painful, though, on the other hand, there are compensating advantages, as Adam Smith showed. Rogers, as usual, is very

[1] As noticed above, the enclosures of this period were partly for the sake of the adoption of "convertible husbandry," and not exclusively for the extension of sheep farms. See Cunningham's "Growth of English Industry and Commerce," vol. i., p. 526.

severe in his condemnation of what he calls the rapacity of the landlords — but even on his own evidence his judgment seems overstrained. We must remember that about the middle of the sixteenth century, when the first period of enclosures had reached its term, there began the great rise in prices. This was at first brought about by the debasement of the currency— but after the currency had been restored by Elizabeth, prices were kept up by the new silver from America. With the general rise in prices rents ought also to rise. And as Rogers himself points out, tenants from a distance were not to be expected, and tenants on the spot were very unwilling, to accept a rise in rents except under strong compulsion. The difficulty that was felt in raising rents in a fair proportion to the rise in prices was specially felt by certain corporations—*e.g.*, the Oxford and Cam-

bridge Colleges. To remedy this difficulty it was enacted in 1576 that the Colleges of Oxford and Cambridge (including Eton and Winchester) should receive a third of their rents in wheat and malt, or rather in the money value calculated according to the market prices at a particular time.

Another plan which was generally adopted was to impose a fine on the renewal of a lease. Fines of this kind had been customary on succession to the villein holdings either by inheritance or alienation, and being in conformity with custom, they were submitted to in the case of leases.

Rogers also points out that there was all over the country a strong feeling against overbidding the sitting tenant. Seeing, then, that there was no effective competition on the part of possible tenants which would raise the rents, and the sitting tenants themselves, naturally, and by the influence

of custom, resisted the rise, the rapacity of the landlords would at any rate be held in check.

On the general question of the security of the tenant's capital at this time, the opinion of Adam Smith seems much more in accordance with the facts. He observes ("Wealth of Nations," Book III., chap. ii.) that "the farmers in England had much better security than in any other country, and that with long leases they were encouraged to make improvements." In England, as contrasted with other countries, by an Act of 14, Henry VII., the tenant under lease was protected against ejectment by a new purchaser or successor. And in this respect he says: "The security of the tenant is equal to that of the proprietor." He says also that in England a lease for life of 40s. a year value is a freehold, and entitles the lessee to vote for

a member of Parliament; and he continues: —"As a great part of the yeomanry have freeholds of this kind, the whole order becomes respectable to their landlords on account of the political consideration which this gives them." And then we have this very remarkable passage: "There is, I believe, nowhere in Europe, except in England, any instance of the tenant building upon the land of which he had no lease, and trusting that the honour of his landlord would take no advantage of so important an improvement. Those laws and customs so favourable to the yeomanry have perhaps contributed more to the present grandeur of England than all their boasted regulations of commerce put together." By contrast, he says that throughout the greater part of Europe the yeomanry are regarded as an inferior rank of people, even to the better sorts of trades-

men and mechanics; and as a consequence, in these countries little stock is likely to go from any other profession to the improvement of land.

More capital in this way is so diverted in Great Britain — but even there, he says, "The great stocks which are sometimes employed in farming have generally been acquired in farming—the trade, perhaps, in which of all others, stock is commonly acquired most slowly." After small proprietors, however, in Adam Smith's opinion, rich and great farmers are in every country the great improvers. The passages I have quoted are from a general survey of the progress of agriculture in Europe. And they show that, in Adam Smith's opinion, from the end of the mediæval period—or, we may say, from the time of the establishment of the English system of tenant farming, down to his time (1776) — the

tradition had been to trust to the good faith of the landlord, and that practically the security thus afforded to the tenants' capital had been as great as could be reasonably expected. The enclosures, the dissolution of the monasteries, the purchase of the old acres by new men, the rise in prices, and the increase of luxury which mark the beginning of the modern period, no doubt for a time disturbed the relations of landlords and tenants, but before the end of the reign of Elizabeth the tradition of good fellowship between landlord and tenant had been thoroughly established.

Certain it is that during the seventeenth century agriculture made much progress. This was partly due to the imitation of Dutch methods in the rotation of crops and the cultivation of winter roots. But as already shown, there was much capital

devoted to drainage and the general improvement of the land.

The best proof of the progress in agriculture is the fact that during the seventeenth century the population of England doubled. It could not have been more than 2½ millions at the end of the reign of Elizabeth; it was nearly 5½ at the accession of Queen Anne.—(Rogers.) As the country was, up to the last quarter of the eighteenth century, self-supporting, and, indeed, an exporter on balance of corn, the rise in population was only possible with an increase in the agricultural produce.

Still more, however, is the eighteenth century marked by improvements in agriculture. One chief characteristic was the use of clover and rye-grass and the extension of artificial pasture. Writing in 1772, Arthur Young said: "I do not

imagine above half, or at most two-thirds, of the nation cultivate clover. It is a surprising number of years that are necessary to introduce the culture of a new plant." He adds: "If gentlemen of the present age had not assumed a spirit in agriculture vastly superior to former times, I much question whether that excellent vegetable, *i.e.*, the clover, would make its way fairly through the island in a thousand years."

But agriculture at this time had become the reigning taste. The pursuit was universal. The profit was great — from 14 to 20 per cent. on the capital was common (Rogers). It was a bye-industry with those who had other callings. Physicians, lawyers, clergymen, soldiers, sailors, and merchants were farmers as well. The farming tribe, says Young, is now made up of all ranks from a duke to an apprentice. This fashion continued till

the beginning of the second quarter of the nineteenth century.

The rise in prices that took place at the end of the eighteenth century of course gave a great stimulus to this experimental farming. And all over, the progress in improvements was so great that the farmers who stuck to the old methods were lost. Under the competition for land that now became effective, and stimulated by the rise in prices, rents rose greatly, and whilst the new farmers paid the high rents and made fortunes, the old-fashioned were unable, even with the aid of other bye-industries, to make both ends meet. No wonder that Young regarded the payment of a high rent as the greatest aid to improvements and good husbandry.

Coincidently with the improvements in tillage and the adoption of roots and

grasses, there were also great improvements in cattle and sheep. This is shown directly by the increased weight of the cattle and sheep, and especially by the high prices that began to be paid for breeding stock.

Here, again, the landowners were, according to Young, the pioneers of agricultural progress. Rogers calculates that the productiveness of agriculture in the eighteenth century was four times that of the thirteenth, both as regards corn and stock.

Young, founding on the evidence of his tours, calculated that the average rent of cultivated land all over England, taking good and poor together, was 10s. an acre. He continually urges that the rental, especially for good land, is too low, and surely this confirms the injustice of Rogers as regards the rapacity of landlords. Young says that on the best land the

profit to the farmer is 29s. an acre—*i.e.*, probably 25 per cent. on the capital—and over all, the profit of the farmer is, after all charges are deducted, considerably more than the rent. On this Rogers observes: "This rate of profit [presumably he means calculated per cent. on the capital employed] is considerably less than that procured under the ancient system of capitalist agriculture, or that which succeeded the land and stock lease, and even that of the short lease which followed." But if this is true — again it must be said it is difficult to understand where, in the earlier period, the rapacity of the landlord comes in.

It will be remembered that, according to Rogers, for centuries in the mediæval period — that is, up to the time of the rise in prices, which is one of the marks of transition to the modern period — the

common rent of land was 6d. an acre. Thus in Young's time rents in money being 10s. an acre had risen twentyfold. A good part of the rise, however, was only nominal, *i.e.*, due to a change in the value of money, and Rogers, for purposes of comparison in dealing with mediæval prices, multiplies by 12 to get the modern equivalent. On this basis the mediæval rents expressed on the modern standard would be 6s. an acre as against 10s. in the time of Young. This, considering the great increase in produce—*i.e.*, fourfold—is a very moderate rise.

The progress of agriculture in the first half of the nineteenth century has been admirably described by Porter in one of the sections of the "Progress of the Nation." The evidence is partly indirect, but none the less convincing. In this period (1800-1850) there was a great increase in popula-

tion: the population practically doubled. At the same time, on the whole, the country, as regards food supplies, was self-supporting. It was only in years of exceptional scarcity that the importation was considerable. In the first thirty years of the century probably not 5 per cent. of the people were fed on foreign corn; from 1831 to 1840 the proportion was at the outside 7 per cent., and even in the five years preceding the repeal of the Corn Laws it did not exceed 12 per cent. On these figures Porter makes the following comment: "The foregoing calculations show in how small a degree this country has hitherto been dependent upon foreigners in ordinary seasons for a due supply of our staple article of food. It is not, however," he continues, "with this view that these calculations are brought forward, but rather to prove how exceedingly great the increase of agricultural production must

have been to have thus effectively kept in a state of independence a population which has increased with so great a degree of rapidity. To show this fact, the one article of wheat has been selected because it is that which is most generally consumed in England; but the position advanced would be found to hold equally good were we to go through the whole list of the consumable products of the earth. The supply of meat during the years comprised in the inquiry has certainly kept pace with the growth of population; and as regards this portion of our food our home agriculturalists have, during almost the whole period—*i.e.*, 1800-1846—enjoyed a strict monopoly."—(Porter, p. 141.)

As the opinion is of present interest, I may again refer to Porter's view of the policy of protection to agriculture during this period. Great as this increase in

agricultural production has been, he continues, there is reason to believe that "a far more profitable result would have followed from the amount of skill and enterprise and the application of capital to which that increase must be ascribed, but for the restrictions that have been placed in the supposed interests of our agriculturalists upon the importation of articles of food from other countries." His idea is that the energies of our farmers had been restricted to the growth of certain descriptions of food, and that our farmers had neglected the production of other articles for which a demand would then have arisen. There can be little doubt that, from the point of view of profit, in this period too much attention was given to corn; in some cases old pasture being broken up, and in others very inferior land being taken into cultivation.

Still, on the whole, agricultural capital accumulated and good profits were realised. As always happens, the farmers who made the profits were those who first adopted improvements and scientific methods, and those who complained most of agricultural distress were those on the margin of cultivation who stuck to the old routine. The increased production, says Porter, came about with a very small addition to the amount of labour employed, and resulted mainly from improving the soil, throwing down fences which divided the farms into small patches, better rotation of crops, draining and new methods of manuring—(*e.g.*, use of crushed bones, and later guano; in 1841 only seven ship cargoes of guano were imported—a total of 1,733 tons—and in 1845 the numbers had risen to 683 ships and nearly 221,000 tons). Porter calls attention also to the

help, even at this date, borrowed from the men of science—*e.g.*, the researches of Davy undertaken at the instance of the Board of Agriculture at the beginning of the century, and later the investigations of Liebig. One effect of the new methods was to make land which had formerly been considered poor as productive as the better land, and wheat was grown on land which had formerly been devoted entirely to oats. The improvement in agricultural production generally, and the increase in the gross profits from land, is also shown by the fact that from 1790 to 1845 rents, on the average, more than doubled. The rise was even greater during the high prices of the great war, but even with the moderate level of prices after the war, rents had doubled. The prosperity of agriculture was also shown by the growth in wealth of the towns dependent on agriculture.

There were, no doubt, during this period (1800-1850) years of general agricultural depression, especially between 1819 and 1838, and the principal cause then, as now, was the relative fall in prices. During the first twenty years of the century the price of wheat averaged 88s. a quarter, during the next five years it fell to 57s. 2d., in 1822 it was 44s. 7d., and in 1835 only 39s. 4d. But on the whole, during the half century, as Porter shows, there was progress, and agricultural capital increased.

During the thirty years that followed the repeal of the Corn Laws there was great prosperity in agriculture, especially after 1858. From 1850 to 1878 the rent of cultivated land in England increased from 27s. to 30s. per acre (Caird), whilst in 1770 it was only 13s. With the rise in rent, and the anticipation of a further rise, there was a still greater rise in the

capital value of land, and in the early seventies there was a great demand for land by small occupiers. In Norfolk, Suffolk, and Lincoln, for example, we are told in the Report of the last Royal Commission on Agriculture (1897) that at this time many farmers bought their land at the high prices that then prevailed. In most cases a large part of the purchase money was borrowed on mortgage.

In 1879 the Richmond Commission was appointed to inquire into the depressed condition of agriculture, and from that time there has been little real recovery. This Commission reported in 1882 that the depression was mainly due to bad seasons; and foreign competition was only mentioned as a secondary cause. The next Commission was appointed in 1893, and reported in 1897. It is stated at the beginning of this report that since 1882 the

seasons have, with a few exceptions, been satisfactory from the agricultural point of view, and the evidence before us shows that the existing depression is mainly due to the fall in the prices of farm produce. The fall had been most marked in grain, but at the time wool had also fallen heavily, though since there has been a great recovery.

In this general survey it does not seem desirable to carry the inquiry beyond the report of 1897, which is one of the most instructive Blue Books ever issued.

With regard to the special subject of this chapter, namely, capital and profits, the most noticeable points in recent years are as follows: Farmers' profits since 1875 have fallen greatly. Taking representative farmers' accounts, it is calculated that in the twenty years, from 1875 to 1894, the average profit was only 60 per cent. of the

sum which in past days was considered an ordinary or average profit. This is, of course, a very rough and very general estimate.

Arable land has suffered most; there are, of course, variations from district to district, and still more from individual to individual. Some farmers have prospered, and we are told that in some parts of the country there is competition for farms of good quality and favourably situated. Farmers are more ready to pay high rents for good, than low rents for bad farms, and it is said that the continuance of this competition seems to show that this is no miscalculation. We are forcibly reminded of Arthur Young's saying that there is a proverb amongst farmers that a man cannot pay too much for good land, or too little for bad.

In the process of adjustment to the fall

in prices, there is no doubt (from the evidence) that there has been a great loss in many cases of farmers' capital; but it is impossible to estimate the amount.

The Commissioners, however, report that they do not find any evidence that any judicial interference is desirable, or is even desired in the readjustment of rents. There seems to be no doubt that the brunt of the loss fell on the landlords to begin with. In the districts subject to the most severe depression, it is said that the farmers do not pay more for the land than the equivalent of what is required for the upkeep of the farm and the public charges, and in some cases they pay less. In the most depressed parts of England, we are told, the fall in rent has been, on the average, 50 per cent., and in some cases as much as 80 per cent.

The principle of security for the tenant's

capital has been very generally adopted in recent legislation, and if the Agricultural Holdings Acts have failed, it is rather owing to the practical difficulty of working than to any bias being retained in favour of the landlord. It is true that at the present time there is some demand for a further extension of the powers of the tenant. It is beyond the scope of this inquiry to express an opinion on the actual merits of the present proposals, but the bearing of the general results of this broad historical survey may be found to have some interest. In conclusion, to summarise the main results: taking the history of the relations of landlord and tenant in England from the time of the establishment of tenant farming, the rents obtained seem to have been very reasonable compared with the profits of the farmer. No doubt on occasions, and in exceptional times of transition, there may

have been inequitable exactions on the part of some owners of land — especially new mercantile owners—but on the whole, there has never been in England any general system of rack-renting. On the contrary, it would be much more true to say that for long periods rents were below the natural competition level.

Similarly, as regards the security of the farmer's capital, for a long time no doubt the law—that is, the technical law—was altogether in favour of the landlord, *e.g.*, the law of fixtures, the law of distress, etc. But in dealing with English economic history, even more perhaps than in the similar case of constitutional history, we must always distinguish between the letter of the law and the spirit in which, as a matter of fact, it was carried out. Adam Smith was a great admirer of peasant properties, and he made general reflections

on property in land, which, taken without the context of his sound common-sense, may even now be regarded as revolutionary—Adam Smith was no defender of the great landlords—in some respects he is less than just to them; but as I pointed out, he is constrained to admit that England is the only country in which the tenant would take the risk of fixing capital in the land without any other guarantee than good faith in his landlord.

Again, in the recent and still prevailing depression the landlords have made remissions and written off arrears, and in general taken the first share in bearing the loss.

It would be a great misfortune for English agriculture if an attempt to make the letter of the law more favourable to the tenant were to destroy or injure the good relations that have hitherto

subsisted; or, on the other hand, to induce the owners to take land into their own hands or to sell it on purely mercantile principles.

The English system of landlord and tenant, in the light of this history, is seen to have played a great part in the development of English agriculture, and the essence of the system has been the mutual confidence between landlord and tenant. In the words of the latest American authority[1]: "In spite of the fact that tenancy is the rule, the agriculture of England is, in many ways, worthy of our emulation, and this advanced

[1] Henry C. Taylor: "Agricultural Economics" (p. 321). Macmillan & Co., 1905. The writer shows (p. 241) that in the United States there has been a decline in the percentage of farms "operated" by the owners from 74·5 in 1880 to 64·7 in 1900—the "cash" tenants having increased from 8·0 per cent. to 13·1, and the "share" tenants from 17·5 per cent. to 22·2. The growth of the "share" tenants is interesting in view of what is said above on the "land and stock" lease.

position of English agriculture is due, in a great measure, to an excellent system of adjusting the relations between landlords and tenants."

CHAPTER III

AGRICULTURAL WAGES

In dealing with wages in agricultural employment I propose to take a broad historical survey, and to begin, as in the case of rents and profits, with the mediæval period, or more particularly the period from the Norman Conquest to the end of the fifteenth century or the beginning of the Tudor period.

Rogers has declared emphatically that the fifteenth century was the golden age of English labour, and as at that time the greater part of the labour was employed in agriculture, this means that it was in his opinion the golden age of agricultural

labour. No doubt if we compare that period with quite recent times—say the last quarter of a century, and take account of everything that enters into real wages, that opinion might be questioned, but if we measure, as Rogers does, by the amount of necessaries obtainable, especially the amount of wheat, no doubt the fifteenth century stands out prominently as compared with any other century as being advantageous to agricultural labour.

It is, however, of still greater interest to notice that the economic progress of the agricultural labouring classes was relatively much greater in the mediæval period than in the modern period from the reign of Elizabeth down to our own times.

This vast improvement in the mediæval period again, is, as we shall see, largely due to the action of economic forces—the natural action of these forces being

intensified and hastened by the occurrence of the great plague.

The essential facts in this mediæval progress have already been brought out in dealing with rent and profits.

We may now look at the same facts from the point of view of labour.

In the first place, then, we have the immense progress implied in the abolition of slavery and serfdom. In order to realise the economic progress in this direction, it is best to leave on one side the purely legal controversies as to the personal status of the labourers and look only to the elements of economic freedom. At the Conquest the Normans took over the overlordship of the manors of which they dispossessed the Saxons, and with the estates they naturally took over the slaves and the serfs with which they were stocked. They would no more think of destroying

the serfs than of destroying the oxen. No doubt at that time the bulk of the ordinary people were in a state of unfreedom, though they were unfree in various degrees. Some were absolute slaves liable to be sold and exported to foreign countries, and there was, for example, a large export of slaves from Bristol to Ireland. Some were not slaves in this sense, but were serfs attached to the land, the real bond of attachment being the force of custom which varied to some extent from manor to manor; they occupied holdings of different kinds, and in return they were obliged to render very heavy labour rents, to work with their ploughs and oxen, and to give up also certain parts of the produce of their common land. If we look at it from the point of view of wages, we may say that under this system the real wages of labour was a bare subsistence

minimum; the lord of the manor exacted all the labour that he could use, and in return allowed only what was necessary to keep the workers in a condition to perform their duties and keep up their numbers. More than two centuries after the Conquest we find in a work, that has been well described as a landlord's manual or handbook, that the steward of a great estate is to report as regards the servile tenants—these are the words: "How much each of them has, and what he is worth, and to what amount they can be tallaged without reducing them to poverty and ruin." Surely the idea of a bare minimum subsistence wage could hardly be expressed with greater clearness or ferocity. And not only was the natural rate of wages in the sense of the real return to labour reduced in this way to starvation point, but in all sorts of ways the personal freedom of

the serfs was curtailed. The leading idea is that the estate required a stock of men, and accordingly the men were not allowed to leave the estate, their children were not allowed to be trained for the Church, the great refuge of the Middle Ages; they were not allowed to give their daughters in marriage — none of these things could be done without the licence of the lord of the manor. When the customs and the regulations of the estates failed, the law of the land was appealed to, and all sorts of restrictions were imposed on this natural migration of labour.

And yet, in spite of these restraints, even before the Black Death, a certain amount of progress was made in the direction of freedom. There were various influences at work favourable to this end; the towns, as they grew in strength, were jealous of their hardly acquired privileges, and residence of

a year and a day in a town gave personal freedom to the fugitive. The Church was essentially democratic, and children of the peasantry often rose to the highest offices. As soon as the institution of scutage led to the enrolment of mercenaries, the sons of the villeins had a chance of rising to high military command, and there are one or two notable cases of knighthood, *e.g.*, Sir Robert Sale. But the great agent in the progress of labour was the growth of the money power, and the commutation of labour dues into money payments.

This process of commutation was greatly furthered by the occurrence of the Black Death. As already shown, the natural price of labour rose greatly, and in the end the great bulk of the villeins became either yeomen proprietors or tenant farmers. No doubt there were exceptions, and there is a remarkable passage in Fitzherbert's

Book of Surveying (1523), condemning serfdom as it then existed as contrary to Christianity. There had arisen also the class of free labourers who had taken the place of the old cottagers or bordars, who correspond more nearly to the modern agricultural labourer.

This differentiation of classes, it must be remarked, is itself one of the best signs of economic progress. At the end of the fifteenth century there was still a class who were economically little better than serfs, but a considerable part of the old servile population had now been replaced by substantial yeomen. There was also a good demand for agricultural labour, and wages were relatively high. Rogers has made an interesting comparison of the wages obtained by an agricultural family at the end of the eighteenth century (in the time of Arthur Young) with the wages

of a corresponding family for a similar amount of work at the end of the fifteenth.

In actual money the amount earned in the earlier period, according to a statute of 1495, was about £24 10s., or about one-half of the money earned in 1770, viz., £51 8s. But when we look to the corresponding real wages, we find that in 1495 the 4-lb. loaf was worth only ½d., as against 5d. in 1770, butter was 1d. against 7d., cheese ¼d. against 4d., and meat also ¼d. against 4d. On the whole, then, Rogers calculates that the family of the agricultural labourer in Young's time ought to have received in money, so as to get the same real wages, not simply double, as was the case, but seven and a half times as much. Or putting it otherwise, the family earnings in Young's time ought to have been more than three times as high

as they were, in order that they might be in the same position, as consumers, as the family of the end of the mediæval period. Bad as this position was in 1770, it was soon to become much worse, and even in 1870 the agricultural labourer could not obtain the same amount of bread for his money wages as he could four centuries before.

It may be convenient at this point to call attention to the relative amounts of rent, profit, and wages, taking for the purpose a farm of 500 acres.

The labour bill was, according to Young's estimate, £335, the rent was £250, and the profit was, roughly, £400. In the fifteenth century the rent would have been only £12 10s., the profit of the farmer about £40, and the labour bill about £150, if the same amount of labour was required,

though most likely more was needed in the earlier period.

Thus in money, rent had risen twenty times, profit (aggregate) ten times, and wages only two-fold. After 1770 there was a very great increase in both rent and profit, but real wages fell.

The position of the labourer had thus become relatively less prosperous, compared with the two other parties interested in land, and, as we have already seen, also absolutely worse reckoned in food.

During these four centuries there had been great national progress. In spite of this, however, not only had the condition of the labourer, as a food consumer, become worse, but apparently also he had lost in various social utilities (to use the general economic term), which are not so easy of expression in measurable quantities.

Adam Smith, writing about the same

time as Young, speaks of the ill-contrived laws of settlement which prevented the natural migration of labour to its best markets. There was scarce any man of forty, he declared, who had not suffered from these laws. But in their essence these laws of settlement really brought back one of the characteristics of mediæval serfdom. People were ascript to their parishes, lest they should become chargeable to some other for poor relief.

In the mediæval period, the anxiety of the landowners was lest a valuable piece of living capital should escape; the serfs, or the "souls," on the manor were too valuable to lose. As soon as the modern period had been well started under Elizabeth, it was necessary to form an elaborate poor-law, and also a great statute regulating the employment and wages of labour. The Elizabethan Poor-Law (1601) and the

Statute of Apprenticeship (1563) dominated the organisation of industry up to the industrial revolution at the end of the eighteenth century, and the laws of settlement were added so as to insure any one parish against the danger of having to support the paupers of another. Time will not permit, in this broad survey, of entering at any length into the effects of the Poor-Law and of the regulation of wages by the justices so long as it prevailed. It may be admitted, having regard to the original words of the statutes, and to the original practice, that the main object in both cases was to relieve the poor and to prevent the extension of pauperism. The regulation of wages was of the nature of an official arbitration—or so at least it was intended to be. To a dispassionate reader, there seems to be no evidence of anything like a conspiracy

on the part of the landowners and the farmers to depress the agricultural labourers for their own gain. The freedom of labour had brought with it the separation of labour from the land. The wages of labour began to be determined more and more by demand and supply, and not by customary relations of land and labour. The legislation begun by Elizabeth was intended to meet the evils of destitution and of unemployment. The poor in very deed—too feeble to work—were treated with charity; the sturdy rogues and vagabonds, and even the unemployed who were capable of work, were treated with what we should consider ferocity.

But the whole effect of the system was to take away a great part of the economic freedom that had been acquired before the end of the mediæval period. The effects of the Poor-Law were aggravated in the

early part of the nineteenth century, and the evils led to the well-known Amendment Act of 1834. Before this reform, the wages of agricultural labour, except in some of the Northern counties, were paid partially or wholly out of the poor-rates. We are told in the report of the Select Committee on labourers' wages in 1824, that able-bodied labourers were sent round to the farmers, and received a part, and in some cases, the whole of their subsistence, from the parish whilst working on the land of individuals. People who had no need of farm labour were obliged to contribute to the payment of work done for others. The idea was to provide what we should now call a living wage, and the unit taken was the family in the natural sense, relief being given according to the number of children, whether legitimate or not. Very often the farmers agreed to pay low rates of wages

so that the men might get something by way of aid from the parish. The labourers, of course, did not exert themselves over their work, or even over finding employment, as they were sure of much the same subsistence in any case.

Sometimes, indeed, they were actually better off if they received the whole of their pay from the parish. The system was really based on the communistic idea, that regard should be paid to the wants and necessities of the workers and not to the value of the work done. In Buckinghamshire it was reported that wages, considered as the result of a bargain between the capitalist and the labourer for the advantage of both, could hardly be said to exist. The farmer, like the parish, commonly paid every man according to the wants of himself and his family, and then got what work he could out of him.

Even after the Act of 1834 had abolished the allowance system, the roundsman system, and the labour rate system, the ideas at the root of the old Poor-Law still prevailed to a great extent. A report of 1839 says that various contrivances had enabled the predominant interest in each locality to contribute to a common fund from which they did not derive an equal benefit. Very commonly, however, the farmers themselves, in the forties, gave partial work to men for whom they had no real need, and kept up a surplus supply of labour at low wages, simply to keep the men off the rates. It is definitely stated in the Report on the Burdens on Land in 1846 that in order to reduce the poor-rate the farmers in many parishes employ more hands than the economical working of the land requires. Farmers on large holdings gave evidence before this Committee that they found it

cheaper to give some employment on the land rather than leave the families of the men to come on the rates. Consequently, preference was given to the men with large families, partly, no doubt, because some work was got out of the children, but mainly on account of the saving to the rates. In the same way some of the farmers refrained from using new labour-saving machinery, and threshing with the flail was continued simply to give employment. We also read that this employment of surplus labour was in part regarded as an insurance against rick-burning, at that time the popular method of forcible persuasion. Caird describes a similar state of things in the English agriculture of 1850-1. In some districts, he says, the farmers divided up the surplus labour. In Wiltshire, in which the wages have always been very low, Caird says that both farmers and labourers

suffered from the over-supply of labour. The farmer was compelled to employ more men than his present mode of operations required, and to save himself he paid a lower rate of wages than was sufficient to give the physical power necessary for the performance of a fair day's work. We have, in fact, an illustration of the opposite principle to that now known as the economy of high wages. Partly under social pressure, and to avoid the losses by poor-rates, the farmers were obliged to resort to the economy of low wages. Even down to our own times, we find it was quite common for farmers to employ men to an extreme old age rather than that they should go to the workhouse, and labour was considered to have a certain claim on the land for employment. It cannot, however, be said that the recognition of this claim was of advantage to labour, if we

are to judge by the general level of earnings.

In recent years wages in agriculture have risen in spite of the falling off of profits and rents consequent on the fall in prices. And the rise in wages can only be ascribed to the check to the supply, by the greater migration to the towns, and the cessation of the social causes which formerly induced the surplus to remain in the country.

Although, as just pointed out, in many cases the farmers kept up a surplus supply of labour, in some cases the landlords refused to keep up the cottages on the farms, and in order to avoid the rates, forced the labour to go to some parish where these restrictions in building were not in use—the open villages, as they were called. Here the rents were high, and the cottages very bad, and the labourers had to walk considerable distances to their

work. It may be noted that the same method of keeping down poor-rates was practised in the beginning of the eighteenth century. The adoption of the union of parishes for relief checked this evil, and now the cottage accommodation is much better and there is less overcrowding.

The old open villages, with their overcrowded and insanitary dwellings, were also associated with the "gang" system. Gangs of men, women, lads, girls, and children, were formed by a gang-master who contracted with a farmer to do certain operations. He was very often a sweater of the worst kind, paying the lowest wages possible, and making them really less by selling necessaries to the members of the gang. These gangs were worse than degrading to the women and children concerned, and by the Agricultural Gangs Act of 1867 children under eight

were prohibited from working in gangs, and since then mixed gangs of men and women have been prohibited from working in gangs, and the gang-master for men-gangs and the women overseers for women-gangs had to obtain licences.

During the last fifty years, *i.e.*, since 1850, the position of the agricultural labourers has improved in every way. According to the general summary in Mr. Wilson Fox's able paper, earnings are greater—the rate of pay being higher, and also the employment more regular. The hours of labour are less, and the work is less arduous owing to the use of machinery. The chief things on which the wages are spent have fallen in price; even house rents in the country are not generally higher, whilst the cottage accommodation, though still in need of improvement in some parts, is, on the average, far better than in the fifties. The

decrease of the rural population has reduced overcrowding, and left the worst cottages empty. Education is free, sanitation and water supplies are better, there are more opportunities for allotments, and compensation for accidents in the course of the employment is obtainable.—(*Statistical Journal*, June, 1903.)

As already observed, one of the best signs of progress is in the differentiation of classes within an industrial group. In the early mediæval period the great body of agricultural workers were in a state of serfdom; by the end of that period there had emerged out of the masses important classes of peasant proprietors, substantial tenant farmers, and well-paid free labourers. In the course of time the small proprietors, *e.g.*, the statesmen of Cumberland and Westmoreland, to a great extent disappeared, but the tenant farmers have

always remained, and in relation to the landlord, have improved their position.

If we apply this test of differentiation to agricultural labour during the last fifty years we find a notable advance. In England and Wales the regular employment of women in agriculture has practically ceased; the children who formerly began to work at six or seven, and sometimes in "gangs," are now at school up to double that age; of the men we have higher and lower classes, according to capacity; those in charge of animals and machinery have increased relatively, and they obtain higher wages. As regards the lowest classes, there is no longer a superabundance of cheap labour fed on the rates and only fully employed in times of exceptional pressure. In many districts agricultural labour is relatively scarce, instead of being in all superabundant. It is owing to this relative

scarcity, in a great measure, that the rise in real wages is due, as will appear more clearly when we proceed to trace the general course of agricultural wages, compared with that of other employments. The bearing on rural depopulation is discussed in the next chapter, and here it is only necessary to emphasise one point. Since 1850 the number of male agricultural labourers has diminished by some 40 per cent—and women and young children are practically no longer employed. At first sight this falling off in the numbers employed on the land seems a matter for national regret. But a good deal of this regret is based on sentimental, *à priori* considerations, of what agricultural labour ought to be, and not on the actual facts of history. Between the twenties and fifties, except in the Northern counties, where there were other fields of employment

in mining and manufactures, the rural population was so abundant that there was not enough work to go round; the land-owners and farmers had to support large numbers of able-bodied men and their families, and were nearly ruined in extreme cases by the rates. In 1851 Caird tells us that in the Southern counties, whilst the agricultural labourer gained only a scanty subsistence, he was everywhere felt as a burden and not a benefit to his employer.

The degradation of village life was often as low as in the slums of the great cities, and on the whole, the work performed by the women and children was almost as bad as that in the mines, from which also it has disappeared. Consider the "gang" system; look at the crowding in the open villages; think that all the earnings of all the members of the family were not sufficient to provide a living wage, and had to be

supplemented by legal or customary charity, and you will agree that, from one point of view, the falling off in the numbers employed in agriculture is a sign of national progress and of great improvement in the classes concerned.

We may now consider how it is that this improvement in the condition of agricultural labour was so long retarded, and why it is that the greatest improvement, for four centuries at least, has taken place during the last quarter of a century, which, curiously enough, as regards agricultural industry in general, has been a period of profound depression, in which rents and profits on the average have reached a minimum.

One of the most remarkable results obtained from the application of inductive and historical methods to economics is that wages in agriculture are generally

lower than wages in other industries that involve similar hardships and require similar skill. So universal is this relative depression of agricultural wages, that in the matter of economic laws or tendencies it ought to take the first place. The tendency to depressed wages in agriculture is certainly much less liable to be counteracted, than the celebrated tendency to diminishing return in agricultural production.

I will quote a few significant facts from the history of wages in England over a period of more than six centuries. It must be borne in mind that when we are dealing with wages over very long periods there are several difficulties to be overcome. Money wages, especially in the earlier centuries, are only part earnings. Rogers, in his great work, and in his popular exposition of the more important results,

has brought out this point very clearly. We must take account of the perquisites, the common rights, the food and drink, the bit of land, and so on, and add so much to the money wage. Then, again, as regards the money wages actually paid, they are often quoted by the unit of work done, *e.g.*, threshing of various kinds of grain at so much per quarter, reaping, mowing, etc., at so much per acre, and so on for other kinds of work. But if we wish to compare agricultural wages with wages in quite different occupations, we must obviously take a unit of time as the basis. In the agricultural records time wages, when quoted as such, or estimated from piece-work, are generally estimated by the day, but earnings (as indicating the standard of comfort) are generally estimated by the year. If, then, the wages are quoted by the day, we must take account of the

regularity of the employment. It is impossible on this occasion to go into these difficulties of comparison, and I only mention them to show that in the calculations made they have not been overlooked or forgotten.

Again, in comparing agricultural wages with other wages, over long periods, we have to take account of changes in the nature of the occupations. In agriculture, for centuries the kinds of work remain the same. Down to quite recent times, in some parts, men and women might be seen reaping wheat with the sickle and cutting the corn high on the stalk exactly as Rogers describes the work in the Middle Ages, and similarly there was threshing with the flail, and so on. But in other industries there have been revolutionary changes in all departments. But even in the non-agricultural industries there are

certain types of a representative kind that are fairly steady and enduring in their chief characteristics. In a calculation I made for another purpose,[1] a few years ago, I took as the type of non-agricultural employment the carpenter. Vicomte d'Avenel, who has done for the history of wages in France what Rogers did for England, takes as the type for comparison the labour of the mason. As it happens, whether we take France or England, there is in general little difference between the wages of the carpenter and the mason. Suppose, then, we compare the wages of the ordinary carpenter with the wages of a first-class hand in agriculture—one who is required to do the most skilled and responsible work. Now, if we consider that the work is to be done throughout the

[1] "Principles of Political Economy," vol. iii., Book IV., chap. vii.

year, through the long, stormy winter as well as the pleasant days of early summer, I think there is no question that from the point of view of the conditions of the work—the disutility involved—the labour in agriculture is harder—it involves more disutility, *e.g.*, the exposure doubles a man up with rheumatism. Then, again, as regards the skill required, Adam Smith, in a famous passage, has shown how much more mental strain is required for the proper management of animals compared with ordinary mechanical operations. The first-class hand, then, in agriculture may be well compared with the carpenter, and whether we consider the hardship involved in the work, or the skill and judgment, the wages of the former (the agriculturalist) ought to be at least as high as those of the carpenter.

Now, in fact, we find that the wages of

the carpenter are in general fairly representative of most ordinary skilled labour, *e.g.*, the mason, the tiler, the sawyer, the plumber, the bricklayer, etc. But as soon as we turn to agriculture there is a difference, and generally a great difference. Time will not permit of my giving the results of the inquiry in detail, but one or two instances may be taken. In England, in the century before the Black Death, the wages of the carpenter were at least 50 per cent., and probably nearer 100 per cent., higher than those of the first-class hand in agriculture.

In the fifty years after the Black Death, when all wages rose, practically the same proportions remained: the carpenter received double, or at least half as much again as the agriculturalist. Down to the middle of the seventeenth century the same proportions on the average hold good, and

in the period from 1642 to 1702 there is the beginning of a striking change that is still more adverse to agriculture. At this time the best agricultural labour begins to receive less than the ordinary unskilled labour in the towns in other occupations; *e.g.*, the hedger and ditcher gets less than the labourer or the artisan. In the eighteenth century the carpenter receives more than double the agricultural labourer, and common, unskilled labour also obtains nearly 50 per cent. more than the best agricultural labour, and during the nineteenth century practically the same results are found. That is to say, in the course of some six centuries in England, the relative depression in the wages of agriculture is considerable and continuous.

The experience of other countries gives similar results. One more example may be given. The Massachussets Bureau of Labour

Statistics issued in 1885 a report on wages in the United States from 1760 to 1883. It may be calculated from these figures that from 1780 to 1850 the average wages of the agricultural labourer are in proportion to those of the carpenter, as 100 to 147, whilst from 1860 to 1883 the proportion is as 100 to 188. Since 1883 the movement has been in favour of the carpenter, his average wages being more than double those of the agricultural labourer.

Besides the general law that agricultural wages are in general lower than the wages in the towns, it appears also that the more purely any district is agricultural so much lower are the wages. Conversely, if any district has other important industries, *e.g.*, mining or manufactures, the rate of rural wages is also higher. Rogers has remarked that for a long period the rate of wages

in London has been higher than in the provincial towns which are in closer connection with agriculture.

Another general result is also of interest. Low as were the wages of men, the wages of women in agriculture were still lower. Thorold Rogers shows that from 1260 to 1702 the wages paid to women in agriculture were about half the wages paid to the men.

The researches of Vicomte d'Avenel have made available still more ample material for the history of the wages of women in France, and he has drawn some very interesting conclusions. It is well known that the poorer the masses of the people so much the more necessary is it for women to engage in work for wages. By the influence of custom also—the custom in the last resort being due to the superior economic strength of the men—most of the

most gainful occupations or branches of employment have been restricted to men. Even in agriculture, certain operations have generally been confined to men.

In the last census (1901), out of some 12,000 women still employed in agriculture in England and Wales, only 5 women are returned as in charge of horses, and one of them is a girl under fifteen years of age. Only 12 are returned as shepherds, and only 1 as a woodman. Of farm bailiffs or foremen, there are 39 women as against nearly 27,000 men. And history shows that in the past, in agriculture, the women were pressed into the least gainful branches of the service.

The greater the misery of the people so much the more are the wages of women depressed, simply because there are more seeking for employment. D'Avenel accounts for the relative fall in the wages of women

in France in the course of four centuries (1400-1800) by the general impoverishment of the labouring classes, which made it necessary for more women to seek employment. And conversely, it may be said that the great improvement in the prosperity of the labouring classes in England in the present generation is partly indicated by the great decline in the numbers of women engaged in agriculture.

The employment of children tells the same tale. The wages of children in agriculture have always been very low. In agriculture, as in the domestic industries, the parents of the children often proved to be the worst tyrants. The abolition of the employment of young children, and the great falling off in the employment of the older children in agriculture, in the present generation, although not comfortable for the employer, is undoubtedly a sign of

increasing prosperity. Even from 1891 to 1901 in England and Wales the number of males under fifteen employed in agriculture has diminished by nearly one-half, and the number of girls in 1901 is less than one-fourth the total number of girls under fifteen employed in agriculture in 1891, the total being now only 385, *i.e.*, for all England and Wales.

These movements in wages and employment are easily explained by reference to fundamental economic principles. Once a country is fairly well peopled, and most of its available lands cultivated, there is little room for the extensive increase of agriculture. And as regards the increase of intensive cultivation, many of the improvements that take place are such as to demand less labour. On the whole, then, there is no natural expansion in the demand for agricultural labour, but rather the

reverse. On the other hand, under normal conditions the supply of labour in the country districts increases, even when it is not unduly stimulated by the lax administration of an injudicious poor-law.

We find even at the present time in some parts of Ireland and of the Highlands of Scotland, examples of congested areas. In the past the natural tendency of the supply of agricultural labour to outstrip the demand was intensified by the action both of accumulated custom and direct legislation.

It is only quite recently in England that the natural over-supply of labour has been checked, and that we find complaints of the scarcity of labour in some agricultural districts. As already shown, till well on in the nineteenth century, there was always a glut of agricultural labour.

In conclusion, it may be observed that in spite of the improvement in the condition of the agricultural labourers as a whole, it may be doubted if relatively to other employments the improvement has been sufficient to check the natural flow of labour to the towns. The rise in the price of labour, when otherwise agricultural industry is depressed, leads to a lessened demand on the part of employers; but even allowing for this, there is, compared with former periods, a relative scarcity of labour. The farmer has to compete with other employers, instead of having a practical monopoly in his district, and he can no longer obtain the cheap labour of women and children. One remedy, from the farmers' point of view, seems to be the recognition of the principle of the economy of high wages, and of the allied principle that the more men are interested in the

results of their work, so much the more efficient is their labour likely to be. In the near future, however, the rate of agricultural wages is much more likely to rise than to fall.

CHAPTER IV

RURAL DEPOPULATION

At the present time there is perhaps no subject connected with agriculture to which popular attention is so much directed as what is called rural depopulation; and perhaps there is no subject to which it is more necessary to apply scientific analysis, whether we consider the nature and extent of the alleged evil, the causes assigned, or the remedies proposed.

With regard to the nature and the extent of rural depopulation in England, we may begin with the evidence of the last census (1901), the general report on which was issued in 1904.

In 1881 the persons enumerated in urban districts were in proportion to those in the rural districts as 212 to 100; in 1891 the proportions had risen to 258 to 100 in favour of the urban districts, and in the last census—1901—the proportion had still further increased to 335 to 100. At first sight these figures seem to confirm the popular view that the country is becoming rapidly desolate, but several important corrections have to be made before this view can be maintained.

In the first place, the increase in the proportion of the urban districts is partly due to an actual growth of the population enumerated in the preceding censuses in those areas, but partly also to the inclusion in the urban areas of some which had formerly been classed as rural.

In the census of 1891 attention was drawn in the General Report to the fact that a

considerable number of the so-called urban districts, though technically urban, were distinctly rural in character, being in many cases small towns in the midst of agricultural areas, on which they are dependent for their maintenance as business centres.

In the present 1901 census there are 1,122 urban districts as against 664 rural districts. But of these urban districts as many as 215 had populations below 3,000; 211 had populations between 3,000 and 5,000; and 260 had populations between 5,000 and 10,000.

In popular discourse, when urban populations are spoken of, the general implication is that we are dealing with large cities, and not with good-sized villages and small country towns. Accordingly, it is useful to follow the census authorities in 1891 and in 1901 in estimating the growth or decrease of the rural population if we include with

the rural districts—first, all those which are below 10,000; and secondly, all those below 5,000. In the first case, *i.e.*, when we include in the rural districts the small towns below 10,000 people, we find that, comparing 1901 with 1891, there has been an actual increase of 5·3 per cent., the population having risen from about 10 millions to about 10½ millions. It is true that the rate of increase in the urban districts proper is greater, being indeed 15·8 per cent.; but still the fact remains that the rural districts, as so interpreted, have gained in absolute numbers half a million.

If we include with the rural districts only those with populations below 5,000, we find the rural population with this interpretation has increased by 3·5 per cent., or absolutely by some 300,000, as against 15·7 for the urban districts as a whole, and some 3,000,000 absolutely.

Even when we adopt the technical division of the last census, and take rural in a very restricted sense, we still find that there has been an increase of 2·9 per cent., and absolutely of some 200,000; against an urban rate of increase of 15·2, and an absolute increase of about 4¾ millions.

Finally, we may take districts in which there are absolutely no urban districts or parts of districts, of which there were 112 in the last census. A very interesting table is given in the Report, giving the figures in every census from 1801 to the last (1901); that is just 100 years. In the first half of the century there was an increase in these purely rural districts in every decennium, but at a gradually diminishing rate, except for the unusually rapid increase in the decennium 1811 to 1821, where, as almost always happens

after a great war, the rate of increase was more than doubled.

From 1851 to 1891 there was a tendency in these districts to a decrease in population, the rate of decrease, however, being very slight—varying between 0·67 and 0·04—whilst the absolute loss over the forty years was only 20,000 out of 1,324,528.

In the last ten years, however—1891 to 1901—in these 112 areas there has been an increase of 1·9 per cent., and an absolute increase of more than 25,000 This increase has wiped out the losses that had taken place since 1851, and the census of 1901 records in these districts actually the highest population of any census since 1801. Not only so, but the increase since 1801 is nearly 43 per cent.; and absolutely the population in these districts rose from 932,000 to 1,330,319.

I have dwelt on this point at some

length, because it is important to distinguish between rural depopulation in the sense of an absolute falling off of the numbers in what is called the country, and a low rate of increase compared with the towns.

There are, of course, as is pointed out in the Census Report, many rural parts in which actual depopulation has occurred during the last ten years—in some cases considerable—but even in these cases it is to be observed that the rate of decrease is less than in the preceding decennium. In 1881-91 the maximum rate of decrease was 11·68, whilst in 1891-1901 the maximum was 5·35 per cent., and there were only two counties in which the decrease was over 5 per cent., as against 7 per cent. in the preceding decennium.

It is worth noting, incidentally, that the popular idea that the rate of increase in

the population is greatest in the large cities is not borne out by the facts. It is found that, taking urban districts, those above 100,000 show a less rate of increase than those below; *e.g.*, the rate of increase in London (considered as one district, with a population of over 4½ millions) is only 7·3 per cent., whilst in 211 districts, with populations between 3,000 and 5,000, the rate of increase is 8·6. The maximum rate of increase is, in the moderate-sized towns, between 50,000 and 100,000,[1] viz., 23·2 per cent. Between 20,000 and 50,000 the rate is 20·3, between 10,000 and 20,000 it is 18·4, and between 5,000 and 10,000 it is 14·4 per cent.

These figures seem to show that there is a certain process of decentralisation going on, and it seems probable that in the course

[1] It is usual to take 100,000 as the minimum, to rank as a city.

of time, with improvements in communication and the adoption of different methods of manufacture, this process may be intensified.

The bearing on agriculture, and on the condition of the strictly rural population, is important, as better markets are afforded to the bye-products of agriculture by the growth of the moderate-sized towns.

Here, however, it is necessary to point out that the occupations of the rural population are not entirely agricultural, nor directly dependent on agriculture. In some country districts, to take but one example, there is a good deal of mining, and there are residents who derive their incomes from non-agricultural sources.

We may now consider the numbers of those employed in agriculture in the census meaning of the term. They are divided

into different classes. The first class consists of the farmers and graziers, most of whom are employers of labour. The figures are given for each census since 1851 (inclusive), but it is observed that up to 1881 the numbers include those who are described as retired, whilst in the later censuses they are excluded. The general conclusion is that the number of holders of farms has not materially declined during the half century, and it is specially noteworthy that in the period 1891 to 1901 there has been an actual increase which has more than balanced the slight falling off between 1881-1891. Here again, however, the figures are not strictly comparable, as the poultry farmers in 1891 were included under a different heading, and when this allowance is made there may be a small decrease. In many of the agricultural counties, also, there is (even not allowing

for the poultry farmers), a decrease in the number of the farmers.

On the whole, however, as stated before, there is little falling off in the numbers of the farmers during the last half century.

But quite the opposite is the case when we consider the number of the workers on the farms. Here we have from 1851 a continuous and considerable decrease, both proportional and absolute. In 1851, of every 100 males over ten years of age, 19 were workers on farms, whilst in 1901 the proportion was only 6 in the 100. When we refer to the absolute numbers we find that, compared with 1851, in 1901 there were little more than half the numbers employed, strictly 58 per cent., viz., a fall from about 1¼ millions to ¾ of a million (1,232,576 to 715,138). The reduction in female agricultural labour is still more remarkable, being no less than 91·6 per

cent. in the last fifty years—the highest rate of decline being during the last decennium. At present the total number of women employed in England and Wales is only 12,000 as against 143,475 in 1851.

On the other hand, however, there has been a very great increase in the number of gardeners, florists, nurserymen, etc., and also in the numbers of those employed about agricultural machinery. There is also an increase in the number of woodmen. Since the former census the agricultural machine attendants have increased 40 per cent., the woodmen 27·4 per cent., and the gardeners 20·5 per cent. These classes together are now equal to about one-third of the workers on farms.

The decline in the numbers of those engaged on farms is partly accounted for by the large amount of arable land that has gone out of cultivation. In the period

of the last census, *i.e.*, 1891-1901, there has been a diminution of 6·1 per cent. in the total arable land, and an increase of 2 per cent. in the permanent pasture. Taking arable and permanent pasture together, there has been a diminution of 1·7 per cent., or nearly half a million of acres.

It is rather remarkable that, if we take the period of the whole century, according to the tables given in Porter's "Progress," we find that in 1827, under arable and gardens, there were 1,000,000 less acres than in 1901; and if we go back to the beginning of the century, the amount of arable was still less, as in the first twenty years of the century there were a large number of enclosures, and part, at any rate, of the newly-enclosed land had before been uncultivated.

We are now in a position to see that the popular idea of the depopulation

of the rural districts, and of the abandonment of cultivated land, is to a great extent ill-founded and exaggerated.

It is worth while also examining the popular idea that the percentage falling off in the numbers employed in agriculture, compared with those in other pursuits, is something new in England and peculiar to the present age.

Between 1811 and 1831 (when the census of occupations took account of families and not of individuals) it was found that, whilst the total number of families in Great Britain increased by 34 per cent., the number of those employed in agriculture increased only 7¼ per cent.

Again, if we compare 1831 with 1841, we find that although the population had increased on the whole by over 2,000,000, the number of adult males employed in agriculture had actually

diminished by 35,000 persons. And yet, as explained in the last chapter, in this period there was a constant glut of agricultural labour, partly because this falling off in the numbers employed had been accompanied by a great increase in productive power; and roughly, it may be said that whilst in 1831 1,000 persons provided food for 3,000 persons, including themselves, in 1841 1,000 persons provided food for 4,000 persons, including themselves.

The cry that the cultivation of the soil was being abandoned was as loud in the palmy days of the Corn Laws as it is at present. A sentence may be quoted from Earl Fitzwilliam in an address to the landowners of England in 1835 on the Corn Laws: "It is somewhere about twenty years since we began to hear prophetic annunciations of this approaching

abandonment of the soil," and he shows how ill-founded the opinion was.

We may, however, go further back for illustrations from the history of England of the disproportionate growth of the towns at the expense of the country. For centuries the growth of London was regarded with alarm, and we have complaints of overcrowding of dwellings and want of employment, whilst at the same time it is said that the country districts were suffering from want of labour, and the country towns going to decay. As early as 1580 Elizabeth issued a proclamation in regard to the overcrowding of London houses, and all manner of persons were commanded to desist from building any new house or tenement in London itself or within three miles of the city gates; people were forbidden to sublet their

rooms to more than one family, and the "undersitters" were to be turned out and sent into the decayed parts of the country. A similar proclamation was issued in 1593, calling attention again to the overcrowding in tenements, and the dangers of the plague, through the insanitary conditions. Up to the great fire in 1666 we find constant efforts made by proclamations and statutes directly to check the growth of building in London. For example, by an Act of 1656 a fine of one year's rent was imposed on all houses with less than four acres of ground which had been erected in London, or within ten miles of it, since 1620; and a fine of £100 to the State and £20 per month to the poor was imposed on all houses erected on new foundations after 1657.

In a few years after the great fire the city was larger than ever, and the same

complaints arose as to the overgrowth of head compared with the body, according to the favourite simile.

Not only do we find, as far back as the sixteenth century, complaints of the excessive growth of London, but also we find complaints equally emphatic of the depopulation of the country. This was most noticeable in the first period of the great enclosures, 1470 to 1530, which were, as already pointed out, to a great extent undertaken in connection with the development of sheep farming. The creation of sheep farms involved to a great extent the conversion of arable into pasture. The complaint made by "W. S." (for a long time erroneously supposed to be Shakespeare) summarises the popular view. "Those sheepe is the cause of all these mischiefs, for they have driven husbandry out of the country by the which was increased before

all kinds of foods, but now only sheepe, sheepe, sheepe."

But apart from this cause of rural depopulation, there was at this time (*i.e.*, sixteenth century) another cause more analogous to that at work in later times —that is to say, there was a method of enclosing resorted to with the view of increasing the productiveness of the arable land, just as in the second period of enclosures at the end of the eighteenth century. The idea was to consolidate and rearrange the strips or long acres in the common fields, so that each farmer should have his land more together and divided only into a number of closes, which is simply the contracted form of enclosure.

Fitzherbert (the author already quoted), in his Book of Surveying, shows that land worth 6d. an acre—the old customary rent—may be made to yield 8d. an acre

by this method, and the farmer also be able to save a certain amount of wages of labour. The superior profit of such enclosed land was also extolled by Tusser in his famous poem, 1573, entitled "Five Hundred Points of Good Husbandry"; he specially insists on the advantage of the several or enclosed farms over the champion or open field husbandry. In a tract published about 1630 it is complained that there were in Oxfordshire forty ploughs fewer than there were twenty years before, and the writer calculates that there were twelve score less people employed than under the old system.

Enclosures, however, for convertible husbandry would not have anything like the same effect in diminishing the rural population as the enclosures for sheep and the creation of sheep-runs on a large scale.

At the beginning of the sixteenth century

the rural depopulation, due to the extension of sheep farming, was considered to be a source of political danger. It is said, *e.g.*, that the Isle of Wight was entirely taken up by a few large sheep-runs, and that the towns and villages had been let down, and there was no effective force to defend the coast against the French. Accordingly, it was decreed that no one was to rent more than one farm, and the rent was not to exceed ten marks, which, at the old rate of 6d. an acre, would be about 270 acres. In 1517 a Royal Commission was appointed to inquire on the spot as to the area that had been enclosed since 1488, as well as the number of ploughs let down, of houses decayed, and other evidences of depopulation. The accounts for many counties survive, and have been carefully examined.

In 1534 an Act was passed forbidding

any grazier to have more than 2,000 sheep, and in 1536 the king was to have the moiety of the lands decayed, since the passing of the last statute, until the owners rebuilt the houses of husbandry again.

The dissolution of the monasteries and the confiscation of the Church lands led to a change of ownership of a large amount of land, and the new owners were apt to put in practice the new and profitable methods regardless of the interests of the resident cultivators and of their old common rights. In many cases also they were absentees, and in that way neglected their local duties, and also drew the proceeds of the rents for expenditure in the towns, and especially in London. Accordingly, we find special regulations against absentees, which later on were renewed by James I.

All the efforts of the legislator, however,

were of little avail; but in time the evils were redressed to a great extent by the action of economic forces. The growth of the towns led in time to a greater demand for corn, and as, for long, the country was self-supporting, the growth of population inevitably caused an increase in the production of the staple food.

It is, indeed, obvious that so long as the country was self-supporting the growth of the towns and cities, and what is the same thing, the extension of trade and manufactures, was only possible if the needs of the new forms of labour as regards food were met by fresh surplus from the country, and that means that a smaller number of hands were required to raise a given amount of food. This again means that the general increase of population could only go on with a relative or proportionate diminution in the agricultural population.

In the mediæval period the yield of wheat was only about eight bushels an acre, and one-third of the arable land was always fallow, and another third was devoted to barley for beer, and to other grain or beans for cattle and horses. Accordingly, a typical virgate or yard-land of thirty acres would yield ten quarters of wheat. Of this one-fourth would be required for seed, so that allowing one quarter per head of population (the estimate of Rogers when wheat is the principal food), and taking five to a family, we may say that of the wheat produced, after the requirements of the cultivators were met, only about one-fourth remained as a surplus available for a non-agricultural population.

Some of the holdings were, of course, much smaller, and the surplus (if any) would be still less; but on the other hand, the demesne land of the lord of

the manor would enable him to support a large number of retainers and to make considerable purchases in the markets and fairs.

By 1770 (we may say the time of Arthur Young), the yield of wheat had increased from eight to twenty-four bushels, and less labour was required in the cultivation. The produce was three or four times as great, and the population also was three or four times as great, and the greater part of the increase in the population was of necessity non-agricultural.

If we take a broad, historical survey and consider the progress of agriculture in England over centuries, we see at once that of necessity it has involved a proportionate diminution of the rural population. This was the case even when the country was, as regards the great bulk of its food supplies, self-supporting. But during the

last half century, and especially during the last thirty years (or we may say the present generation), England has become more and more an importer of food of all kinds. It is not necessary to repeat the familiar figures. It follows, however, that so long as agricultural improvements continue, not only in this country but in others, and so long as in the food-producing countries the supplies increase faster than the surplus population, as in Canada and Argentina, so long we must expect that, as regards the great food staples, there will be a decrease in the employment of agricultural labour in this country. The fundamental fact we have to face is that more and more in the course of progress, agriculture produces a greater amount of food at a less expenditure of labour. No doubt, if we take a limited amount of land, and try with the same methods to increase the

food supply, we soon come to the point of what is called diminishing return to land. For a short time at the beginning of the nineteenth century, as regards the whole corn area of England, it may be said these conditions had been realised—that is to say, the corn could only be increased by taking into cultivation inferior land, or by applying more costly methods.

But even then improvements were being continually made, so that we find the price of corn falling and the numbers of those employed in agriculture diminishing. And under present conditions, what we must expect for apparently a considerable time is not diminishing, but increasing return, *i.e.*, less labour for a given amount of produce.

That the relative increase of the urban population is due to some wide-reaching economic causes, and not to any peculiarities

of land tenure or systems of cultivation or property, is shown by the recognised fact that this increase is universal all the world over. The facts have recently been forcibly stated in the able inaugural address of Major Craigie to the Royal Statistical Society (*Journal*, Dec., 1902).

In France and in Germany an urban district is any town with 2,000 persons and upwards. With this definition, in Germany in the last thirty years the urban districts have increased by 105 per cent., whilst the rural have decreased by 2 per cent. In France, during the last thirty years, the urban population has increased by 34 per cent., whilst the rural has decreased by nearly 5 per cent. (*lit.*, 4. 8).

The proportionate increases are still more remarkable. In Germany, about 1870, only 36 per cent. were classed as urban, but in 1900 this figure had risen to 54 per cent.

In France the rise has been from 31 per cent. urban to 39 per cent. urban, but in absolute figures the rural had diminished by over a million since 1870, and the urban had increased by over 3½ millions. In Germany the rural population had diminished by about half a million, but the urban had increased by 16,000,000. Even in the United States, where there is still much unoccupied country to attract population, the numbers in towns of over 8,000 people had increased by 209 per cent., and in the rest of the country by only 71 per cent.

In Denmark, between 1880 and 1901, the urban population had nearly doubled, whilst the rural had only increased by 6·8 per cent. In Canada, where 4,000 is taken as the mark of the urban district, between 1891 and 1901 the proportion of urban to rural had increased from 22·7 to 26·12. In Australia we find two-thirds of the total

population located in the old colonies of New South Wales and Victoria, where the urban population is half as great again as the rural, and is a much greater proportion than is the case in such old countries as France and Germany.

Taking the total of Australasia, including New Zealand, in 1901, the urban population exceeded the rural.

It seems, then, to be the case that under present conditions, both in old and in new countries, in those with already a dense population, and in those with a relatively sparse population, the urban population is increasing very greatly in proportion to the rural, and in many cases there is an absolute decline in the rural.

When the movement is so widespread and so marked, as already observed, it can only be due to some very general cause, or set of causes. Such a general cause, or

group of causes, is found in the fact already noted in regard to wages, that having regard to the disutilities of the employment, wages in agriculture are lower than in the case of similar employments in the towns in other occupations, *e.g.*, transport. Labour is, then, naturally attracted from agriculture. And the labour that is so withdrawn is also naturally the best and not the worst. In considering the influence of wages we must of course understand real wages, looked at from the point of view of the people themselves. In this sense we must include the opportunities for amusements, and the general attractiveness of the towns. From the point of view of the perfectly wise man, a large discount would no doubt be taken from the pleasures of the towns, and a premium added to the delights of the country, but we must estimate the power of attraction from the

standpoint of the persons attracted. The term, real wages, is a convenient expression, but a complete analysis would involve a complete social study of town and rural life as realised by the masses of the people. The facts seem to show that with the increase of education and the improvements in the mobility of labour the inflow to the towns has increased. The term, mobility of labour, again, is an expression that summarises a number of causes and conditions; it involves not only improvements in the transport of the most difficult of all baggage to be transported—namely, man—but also improvements in the knowledge of the labour market. As regards education, it is admitted that if children are kept at school till fourteen years of age they find farm work unattractive, and the education fits them rather for other callings.

On the whole, then, so far as the

interests of the labourers themselves are concerned, it is probable that a considerable rise in money wages would be insufficient to induce them to prefer the country.

If, on the other hand, we look at the question from the point of view of capital, there is every inducement to resort to economies of labour. With the present range of prices of produce, and the rise in wages of labour, the tendency is for less land to be ploughed, and more kept in grass, less labour is employed on draining and cleaning the land in many cases—that is, generally the farming is less intensive; and all sorts of labour-saving machinery have multiplied.

On the whole, it is to the interest of capital to employ less and less labour directly on the land.

Finally, as regards the landlords, history shows that with falling profits in agriculture

encouragement may be given to the creation of small holdings. This was the landlords' remedy after the Black Death, and the consequent rise in wages and fall in profits. But as already indicated, the difficulty is in the provision of the necessary capital. From the point of view of the fixed capital required, in the form of buildings, farm roads, fences, etc., it is more economical to throw holdings together than to break them up. Otherwise, so far, some form of the land and stock lease, or of the metayer system, or the American "share" method, might get over the difficulty.

To the small holder, the profit on the capital is in itself of minor importance compared with the wages of labour: or wages and profits are mixed together in the general return to the industry of the small farmer. In countries of peasant proprietors, the people are content with what in this

country would be regarded as a low living wage.

Another point to be considered is that certain kinds of produce are best adapted for small holdings. It is possible that in time, in this country also, land may be used for special purposes on a small scale. Attention has recently been attracted to the experiment in fruit culture at Blairgowrie in Perthshire.[1] An estate of 450 acres was made into small holdings for fruit culture, and all the land was taken up, and good profits obtained with higher rent. The district, however, seems to be specially adapted to raspberries.

It will be remembered that by the analysis of the occupations of persons engaged in agriculture in the extended sense of the term, there has of late years been an

[1] See E. A. Pratt's "Transition in Agriculture," chaps. xx.-xxiv., for similar cases in England.

increase in the number of gardeners of all kinds.

It is also possible that in other things, *e.g.*, poultry, dairy-farming with co-operation, etc., there may be openings for the small occupier of land. But under present conditions, as regards the great staple products of agriculture, any extensive creation of small holdings seems unlikely to succeed. There are the dangers of climate and the dangers of mortgages; there are the absence of scientific knowledge, and all the other familiar drawbacks to be considered. And whilst co-operation may do something to get rid of some of the common objections, as the case of Ireland shows, the new age has brought its own difficulties. The census shows that in this country women have been practically withdrawn from regular agricultural occupations; during the last

twenty years the decline has been particularly rapid. But in the countries in which small holdings are very common, the women work equally with the men—in fact, the holdings are practically family holdings.

In Germany, for example, if we compare the year 1895 with 1882 we find that the number of women employed in agriculture has actually increased by over 200,000, the total now employed being over $2\frac{3}{4}$ millions. During the same time the number of men agriculturists diminished. The total number of men employed in agriculture in Germany is, however, still double that of the women.

In Austria the number of women employed in agriculture is actually greater than the number of men, by about 40,000, the total number of women so employed being over 4,000,000 In Austria, however, since the last census, the number of women

in agriculture have decreased more than the men.

Generally, it may be said that in countries in which small holdings prevail the wife and children share in the cultivation. If, however, any extensive movement for bringing people back to the land means that women are again to be extensively employed in agriculture, so far as England is concerned, in the light of history, it would be a retrograde movement.

The question of small holdings is large and complex, and much has been written on every part of it. The broad results of this historical survey on the relations of land, labour, and capital have, it is true, only an indirect bearing on the general question of small holdings and the still wider question of rural depopulation—but they are worthy of consideration. The recent changes in education and in the

mobility of labour on the one side, and on the other, the changes in the character of agricultural production and in the transport of agricultural produce from foreign parts, mark the end of the nineteenth century as a period of transition. And in the past, as we have seen, there have been similar transitions even more sudden and revolutionary in character. In such periods of transition, the distress has only been increased by attempts to cling to old methods and worn-out traditions. The first requisite is to understand the trend of the economic forces of the age. From the time of the Black Death economic forces have dominated the progress of agriculture.

In the course of this progress in this country the functions of landlord, tenant, and labourer have become more and more sharply differentiated. As regards the

classes of landlord and tenant farmer, there can be no doubt as to the advantages to the people concerned; nor, again, as to the progress of agriculture under the system. In the normal case, the farmer can much more advantageously employ his capital in farming than in the purchase of land. In fact, under the "English" system the farmer is able to borrow the land at an extremely low rate — far more cheaply than would be possible under the most advantageous mortgage. A reference to other countries shows at once the importance of this consideration. In all of them the occupying owners are burdened more or less with a weight of interest on mortgages. Take the case of Denmark. Nominally, the peasant proprietors are freeholders, but they are saddled with a mortgage debt of £60,000,000, which represents 55 per cent.

of the value of their farms, with buildings stock and improvements. In every age, and in every country, the mortgage has been the curse of the peasant holder. The interest is much more than the rent would be under English conditions, and the relations between the money-lender and the peasant are infinitely worse than those between the tenant and the landlord. In England, from the mediæval period onwards, the landlord has been accustomed to undertake the improvements of a more permanent character, which still further liberates the capital of the farmer. In the past, on the whole, the relations have been dominated by good feeling and good faith; although sometimes the admixture of new blood, and sometimes the change in conditions, brought about evils which led to the intervention of the law. Broadly speaking, the progress of legislation in this

matter has been to give still greater security to the tenant for the investment of his capital, and greater opportunities for freedom of enterprise. More and more the old legal presumptions in favour of the landlord have been abandoned, and in no country except in Ireland is the law now so much in favour of the tenant as in Great Britain. It is quite possible that amendments in the law are still desirable, and, still more, improvements in administration—but there is the danger that if an attempt is made to confer much more favour on the tenant the present landlord may find his remedy either in a sale to those who will be governed entirely by mercantile interests, or will himself try to farm his land under bailiff supervision. In either case, the peculiar advantage of the present system will be lost. In Ireland, as we know, the tenant was given so much that

in the end it became necessary to make him the owner of the land.

But in Ireland, on the average, and looking to history, the landlord had been more like an absentee money-lender than an English landlord — though, of course, there were notable exceptions.

In this development of the English system the landowner, it is true, also had his advantage. On the whole, he got better rents out of his estates by letting them in farms than by farming them himself. At the same time, the typical English landlord took an active part in the permanent improvements of the estate, and in the selection of tenants and the adoption of general rules of management. He found his reward not only in the rent which was in general lower than the true competition rent, but in the various social amenities connected with the ownership of land.

Look at the progress of English agriculture over six centuries. The face of the country shows what has been accomplished, and the amount of the tenant's capital employed in agriculture shows also the moderate character of the rents.

When we turn, however, to the case of the agricultural labourer, the broad historical survey is not so pleasing. It is true that the ancestors of the present race of substantial farmers were serfs, and the representatives in the social scale of the present agricultural labourers were practically slaves. But the mediæval period itself saw the break-up of this system, which in other civilised countries, *e.g.*, Germany and Russia, lasted down to the nineteenth century in its essential features. From the beginning of the reign of Elizabeth, however,—that is, the beginning of the modern era,—to the middle of the

reign of Victoria, there was relatively little improvement in the condition of the ordinary agricultural labourer. His wages were low, and in many ways his life was degraded. But in the present generation a great advance has been made, and the most remarkable feature in this advance is that it has been made in spite of the depression of agriculture from the point of view of the landlord and the capitalist farmer. In former ages there would have been, under the same conditions, a great fall in wages, supposing that wages were sufficiently above the minimum of bare subsistence to admit of a fall. There is still, no doubt, much room for improvement before the agricultural labourer is on a level with the skilled artisan. If, however, agriculture in England passes, as before, with success through the period of transition—and there are signs that the

more enterprising farmers are adapting themselves to the new conditions—if agriculture again becomes prosperous we may expect that the labourer will share much more than ever before in that prosperity. And under the new conditions it will pay the farmer to have labourers of a higher standard. On the whole, the skilled artisan in the towns is much better off than his prototype, the independent small master, who employed himself and his family in domestic industry; and even under present conditions, it is probable that the agricultural labourer in England is much better off than the peasant owner in any continental country. If, in the course of economic progress, his position should be still further improved, the English system of landlord, tenant, and labourer would be far better, from the social and national point of view, than any system of occupying ownership on a small scale.